

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

LAC REGIONAL PROGRAM STRATEGY

FOR

FY 1996 - FY 2000

AND

ACTION PLAN FOR FY 1996 - FY 1997

JUNE 1995

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## LIST OF ACRONYMS

BBEG	Broad-Based Economic Growth Team, LAC/RSD
CAPEL	Center for Electoral Assistance and Promotion
CARICOM	Caribbean Common Market
CDIE	Center for Development Information and Evaluation, USAID/PPC
CSO	Civil Society Organization
DG	Center for Democracy and Governance, Global Bureau
DHR	Democracy and Human Rights Team, LAC/RSD
E	Environment Team, LAC/RSD
EC	European Community
EG	Center for Economic Growth, Global Bureau
EHR	Education and Human Resources Team, LAC/RSD
ENV	Center for Environment, Global Bureau
EPA	Environmental Protection Agency
FCC	Federal Communications Commission
FDA	Food and Drug Administration
FIU	Florida International University
FTAA	Free Trade Area of the Americas
G	Global Bureau, USAID
GATT	General Agreement on Trade and Tariffs
GDP	Gross Domestic Product
GPS/GIS	Global Positioning Systems/Geographic Information Systems
HACCP	Hazard Analysis and Critical Control Point
HCD	Center for Human Capacity Development, Global Bureau
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
ICC	Interagency Coordinating Committee
ICHR	InterAmerican Court of Human Rights
IDB	InterAmerican Development Bank
IFMS	Integrated Financial Management System
IICA	InterAmerican Institute for Agricultural Cooperation
IIDH	InterAmerican Institute of Human Rights
LAC	Latin America and the Caribbean
LAC/RSD	LAC Bureau's Office of Regional Sustainable Development
NAFTA	North American Free Trade Agreement
NGO	Non-Government Organization
NTIA	National Telecommunications Information Agency
OAS	Organization of American States
PAHO	Pan American Health Organization
PERA	Partnership in Educational Reform in the Americas
PHN	Population, Health and Nutrition
PPC	Bureau for Policy and Program Coordination, USAID
PVO	Private Voluntary Organizations
TNC	The Nature Conservancy
UNCTAD	United Nations Conference for Trade and Development
UNDP	United Nations Development Programme

UNFPA	United Nations Family Planning Association
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
USDA/APHIS	United States Department of Agriculture
USGS	United States Geological Survey
USG	United States Government
USIA	United States Information Agency
USNGS	US National Geodetic Survey
USTR	United States Trade Representative
USTTI	US Telecommunications Training Institute

**LATIN AMERICA AND CARIBBEAN REGIONAL PROGRAM**  
**(FY 1996 - FY 2000)**

**A. STRATEGIC PLAN**

**I. Summary Analysis of Assistance Environment**

The stability and prosperity of the Western Hemisphere remain fundamental U.S. interests in the post-Cold War period. By many common measures, Latin America and Caribbean (LAC) countries appear to have made good progress in improving the quality of life and living standards for their citizens over the last 35 years. Life expectancy between 1960 and 1991 increased from 56 to 68 years, and infant mortality declined from 105 per 1,000 live births to 47. The region's annual rate of population growth declined from 2.8% in the 1960s to 1.8% in the 1990s, the net result of steady declines in death rates, especially among children, and much higher use of family planning. Indicators of adult literacy, school enrollments, and access to safe drinking water have all improved. Malnourishment among children has declined although declines have not been consistent among all countries. Although per capita GDP fell by 8% during the 1980s, it grew by 6% over the last four years. The region's total GDP increased by an average of 3.4% a year during 1991-94. Net capital inflows averaged \$55 billion a year during 1991-94, compared with an annual average of only \$9 billion during 1983-90.

The recent efforts of LAC countries to reform themselves have created an environment within which well-targeted U.S. assistance can have a high payoff in helping LAC countries achieve our shared vision of democracy and prosperity. At the Summit of the Americas in December 1994, President Clinton met with the elected heads of the 33 other Western Hemisphere democracies who all pledged their mutual commitment to achieving four objectives: (1) preserve and strengthen the community of democracies of the Americas; (2) promote prosperity through economic integration and free trade; (3) eradicate poverty and discrimination in our hemisphere; and (4) guarantee sustainable development and conserve our natural environment for future generations. However, economic growth and the rate of poverty reduction in the region remain too slow to meet the Summit objectives.

The United Nations Economic Commission for Latin America and the Caribbean estimates that 196 million people in the LAC region (46% of the total population) were living in poverty in 1990, up from 136 million (41%) in 1980. There is wide disparity in the incomes of the highest 20% of income recipients and the lowest 20%, a phenomenon unique to the LAC region. Many LAC citizens, in addition to being excluded from participation in the economic

system, cannot effectively participate in democratic processes. In some cases, those excluded are largely members of indigenous cultures. Geographic isolation tends to add to their exclusion. Economic and social disenfranchisement can be a major barrier to political stability, as events in Mexico demonstrated last year.

The LAC development assistance strategy, "The Strategic Role of U.S. Assistance in the Americas," January 1995, notes that the great remaining challenge in the LAC region is to increase opportunities for the poor to participate in economic growth. To meet this challenge, USAID has adopted a sustainable development strategy that integrates the elements determined to be most critical for reducing poverty in the long run:

- encouraging broad-based economic growth that demonstrates that economic growth can meet popular demand for improved living standards, and that, in fact, incorporation of the poor in the economic process promotes growth and contributes to its sustainability;
- preserving and strengthening the democratic gains of the last fifteen years, gains that are fragile and cannot be taken for granted;
- reducing population growth and improving health, facilitated by investments in education, to ease the pressures of demographic forces on families, communities and nations and to enable full participation in sustained development especially by the poor, who have been most affected by lack of access to effective basic health services in the past; and,
- protecting the environment--the air, waters, and the land mass we share--while addressing global environmental issues such as preserving biodiversity and reducing the threat of global climate change.

The LAC Regional Program managed by the Regionable Sustainable Development Office of the LAC Bureau in USAID/W supports and contributes to the achievement of these sustainable development objectives and has contributed to substantial social and economic progress in the region. Many of the leaders in the region have been educated in the United States with USAID support, access to education has been greatly enhanced and innovative programs have increased the quality of education. New innovative educational policy dialogue tools have been developed and models supported which can be replicated by governments or by the private sector or non-profit sectors to better equip the future labor force with the necessary skills to compete in international markets. The LAC Regional program has led to on-the-ground protection and management activities for 26 key LAC parks/sites totalling 18.3 million acres in 12 countries

contributing to greater conservation of biodiversity. Fertility and infant mortality have dropped by 15 to 20 percent since the mid-1980's in countries in which USAID has focused resources. Much has been learned about how to encourage judicial reform and decentralization, means to support transitional elections, how to conduct human rights education, and ways to train journalists and support civic organizations - all with the objective of sustaining democracy. USAID has been in the lead in support for financial management reform and anti-corruption measures, and in building legislative capacity. Further description of the impact of LAC regional activities on achieving sustainable development in the LAC region can be found in the Action Plan (Part B of this document).

In achieving these considerable accomplishments, many lessons have been learned along the way. LAC's intent is to move from a "problem-solving" to an "enabling" approach in undertaking sustainable development strategies and providing future assistance. This will mean - even more so than before - working with a variety of institutions open to policy change and assisting countries in the region to develop a policy environment for progress, instead of trying to engineer technical change alone. Understanding and strengthening appropriate roles for the public and private sectors is critical, and enhancing the indigenous capacity by strengthening local constituencies and regional institutions are fundamental to sustainable development. Financing innovations are needed as the public sector cannot pay the costs of social services for the entire population.

While the development and expansion of sub-regional trade accords evidence rapid progress in lowering trade barriers as well as large gains in trade, there are some painful social and economic adjustments and lessons-learned which may be associated with entrance into free trade arrangements. Environmental regulations can either blunt free trade, if inappropriately applied, or enhance free trade, particularly when associated with economic incentives created through pollution prevention technologies. Lessons learned in the U.S. on how to increase free trade through environmental regulation highlight the importance of demonstrating economic gain from prevention, reuse, and recycle of pollutants during the industrial process.

Decentralization can improve management decisions, increase community participation and ensure greater access to services particularly for the disadvantaged. Free and independent media, improved journalistic practices and effective media training are crucial in and of themselves, and as they effect many other democracy sub-sectors such as human rights, justice reform and stronger civil societies. Finally, strengthening institutions is an extended process that requires patience; nations and donor agencies must allow sufficient time for institutions to expand their capability to fully accept enlarged responsibilities

without hazarding the possibility of becoming ineffective or even moribund.

The strategies and activities of the LAC Regional Program are closely coordinated with the programs of a host of other donors, with USAID often acting as an innovative leader or catalyst. LAC regional activities often complement funding from other bilateral and multilateral sources. USAID and other donors collaborate in developing strategies and approaches to sustainable development, permitting the Agency to leverage significant additional resources. By joining forces with other donors which can provide larger amounts of capital for commodities, infrastructure and large scale institution-strengthening activities, USAID can concentrate on areas in which the Agency enjoys a comparative advantage--for example, in conducting analyses and studies to support policy dialogue as well as analyzing, synthesizing, and disseminating development experience to decision makers and providing technical assistance.

Collaboration between USAID, LAC organizations and other U.S. agencies led to the development of U.S. proposals for the Summit of the Americas and ultimately, to development of the initiatives adopted by the Summit, and will continue during the Regional Program Strategic Plan period. To demonstrate the breadth and scope of collaboration, the following organizations are only some of the key partners involved in developing and implementing the LAC Regional Program: the InterAmerican Institute for Agricultural Cooperation, the InterAmerican Institute of Human Rights, the Center for Electoral Assistance and Promotion, the Nature Conservancy and LAC indigenous groups with which it works, the Organization of American States, the World Bank, the Inter-American Development Bank, the Inter-American Foundation, the Caribbean Development Bank, UN organizations (UNICEF, UNFPA, UNCTAD, the Pan American Health Organization, and others), private foundations (the MacArthur and Rockefeller Foundations), other U.S. government agencies (the Environmental Protection Agency, the Department of Education, the Department of health and human Services, USIA, the Department of Justice, the Department of State, the Department of Commerce, the U.S Trade Representative's Office, the Department of Labor), and many other U.S. and LAC PVOs and NGOs.

## **II. Proposed Strategy, Rationale, and Key Assumptions**

This strategic plan is formulated to address several specific purposes and issues to ensure sustainable development in the region over at least the next five years (FY 1996 - FY 2000). The plan contributes significantly to specific U.S. Government (USG) foreign policy objectives in the region pertaining to trade, democracy and human rights, and environment and health. The strategy is consistent with and advances regional development

priorities, identified by USAID working with LAC countries and institutions, in the LAC Bureau's development assistance strategy.

At the same time, the strategic plan does not attempt to set forth a totally integrated and internally reinforcing regional assistance strategy, but rather attempts to address selected critical issues and problems that can best be addressed through a regional effort, and which complement sectoral and inter-sectoral bilateral programs developed by USAID and other donors with countries and regional bodies. Many activities address transnational problems for the LAC region, and/or support regional institutions in instances where those institutions have the mandate, legitimacy and/or unique capability to influence and effect change--or when strengthening regional institutions is the most viable and cost-effective approach to development of sustainable solutions to regional problems.

The strategies and activities in this plan strongly and directly support sustainable development objectives which stem from Summit of the Americas discussions, conclusions and initiatives. New regional activities honor explicit commitments made by the USG at the Summit regarding support for Summit initiatives. Ongoing regional program activities also contribute in a more general way to advancing Summit initiatives, since many Summit initiatives were in fact based on USG proposals developed by USAID. While the LAC regional program does not intend to provide direct field support to USAID field missions (a responsibility of USAID's Global Bureau), it nevertheless frequently guides mission strategies and complements and influences mission programs. For example, it marshals technical resources which the entire Bureau draws upon in defining, assessing and redirecting its development assistance agenda in the region. Finally, the strategic plan includes Congressionally-mandated initiatives which are most efficiently managed by the Agency at the regional level.

**Intersectoral Linkages:** The LAC regional program recognizes strong linkages among five "sectors": economic growth, population and health, environmental preservation, democracy and human rights, and education. The regional program has made substantial progress in addressing cross-cutting issues in sustainable development. For example, linkages between trade and environment have been defined and developed over a period of years. Relationships between poverty and access by small landholders and businesses to factor markets were the focus of a "Making Markets Work for the Rural Poor" strategy, developed during the previous plan period. Nonetheless, this new strategic plan recognizes the need to focus more on intersectoral relationships and impacts, and integrated program responses. The process of developing a more integrated portfolio will take place over several years as older programs are completed and new programs are developed, but

the intent in this strategic plan is to accelerate progress toward addressing intersectoral issues which can impact on poverty in the region.

Linkages among the five sectors are far too numerous to fully enumerate here, but it is possible to present some of the strongest and most obvious--some of which are already conspicuous in the current regional program. For example, research has made clear that education has considerable impact on all sectors: on fertility and mortality levels through girls' and women's education, through environmental education programs at various levels on the use of natural resources, on workforce preparation for employment, on civic education to strengthen democratic participation, and on training local public administrators to facilitate decentralization and fiscal reform. The environment sector has close links with the health sector around "brown" issues, for example, with regard to water quality, sanitation issues and child survival. As previously stated, the environment sector is also closely linked to economic growth, as free trade is affected by environmental regulations on trading partners--and as free trade affects the environment. Health has impact on economic growth by strengthening the workforce, preventing disease and maintaining health, safety and hygiene standards to facilitate trade through quality control. Democracy as a sector is closely linked to each other sector, in efforts to increase community participation in local government, decentralization, encouragement of public dialogue, and conflict resolution.

#### **GOAL: ENCOURAGING BROAD-BASED ECONOMIC GROWTH**

**Strategic Objective No. 1: Resolution of key issues impeding environmentally-sound and equitable free trade in the hemisphere.**

##### **A. Rationale**

At the Summit of the Americas, it was recognized and affirmed that "free trade and increased economic integration are key factors for raising standards of living, improving the working conditions of people in the Americas and better protecting the environment". The elected heads of State and Governments of the Americas resolved to begin immediately to construct the "Free Trade Area of the Americas" (FTAA). At the same time, however, they also recognized that to achieve the FTAA, technical assistance would be required "to facilitate the integration of the smaller economies and increase their level of development".

USAID's strategies and programs, bilaterally and regionally, have been concerned in the past with issues relating to free trade in the LAC region. USAID, in coordination with other agencies of the USG and the non-government organizations (NGOs)



community, is now focusing assistance on selected countries in the region to resolve basic trade and integration issues to ensure full hemispheric participation in the FTAA. Such assistance is most appropriately delivered on a region-wide rather than bilateral basis for three reasons: (1) a regional approach is synchronized with the hemispheric-wide pattern of Office of the U.S. Trade Representative (USTR) trade negotiations; (2) this approach allows for a logical resolution of regional issues of trade barriers, standards and technologies which must be comparatively assessed rather than implemented on an isolated, bilateral basis; and (3) a hemispheric program provides a vehicle allowing USAID to work in close-out or non-presence countries (e.g. Brazil, Chile), many of which are key "players" in addressing hemispheric trade and technology issues, and cannot be excluded from trade expansion efforts.

#### B. Problem Areas, Programmatic Approaches, and Program Outcomes

This strategic objective responds to the need to help regional economies achieve sustainable economic growth as part of an increasingly competitive and interdependent global economy. Legal reforms in tariff and non-tariff areas are required to accelerate LAC countries' entry into the WTO/GATT and the FTAA, thus expediting their evolution into more market-based, privatized economies.

In maximizing gains from free trade, countries also need to become more efficient in carrying out international trade transactions. The UN Conference for Trade and Development (UNCTAD) has produced a global estimate that companies lose approximately \$100 billion a year in delays, errors, and administrative red-tape connected with the trade transaction process. Savings in this process can be achieved through a mix of both regulatory reform (especially in customs) and application of information technology to trade facilitation.

Free trade will induce structural economic adjustments in each country based on comparative advantage. Expanding industries will require access to the latest technologies to build on positive factor endowments and further strengthen their hemispheric/global competitiveness. Contracting industries will require retraining for displaced workers. To assist countries with these trade-induced structural adjustments, regional institutions and networks, and their country components, must be strengthened and some new regional institutions may need to be introduced.

There are divergent economic and social trends in the LAC region: as trade (and national wealth) expands, income gaps between rich and poor widen. Support for democratic free labor movements and for modern labor-management relations are crucial

in helping ensure stable, equitable economic growth in the region.

Finally, expanded trade and hemispheric economic integration cannot be achieved at the cost of a degraded environment. As with the North American Free Trade Agreement's (NAFTA's) application to Mexico, new LAC Free Trade Agreements will need to include environmental frameworks for both development and political reasons.

Substantial progress has been achieved in trade liberalization in the region as countries have proceeded both bilaterally under GATT and in the formation of subregional trade agreements (NAFTA, MERCOSUR, the Group of Three, SIECA, CARICOM and the Andean Pact). The FTAA will build on these existing agreements in the Hemisphere and strive for balanced and comprehensive agreements on tariffs and non-tariff barriers affecting trade.

The USTR will lead US participation in the establishment of criteria for FTAA accession and negotiation of all agreements. USAID, following USTR-established criteria, will assist countries to: (1) determine the pace and pattern of specific additional policy reforms necessary for accession, that is, "Blueprints for Accession;" and, (2) implement those reforms as appropriate. Other US agencies (USDA/APHIS, EPA, FDA) will also be involved in the establishment of criteria and implementation of reforms. USAID, employing Inter-Agency Agreements, will direct the support of these other agencies as appropriate to selected countries. Within the Agency, the LAC Bureau's Regional Sustainable Development Office's Broad-based Economic Growth Team (LAC/RSD-BBEG), through the proposed new LAC Regional Free Trade Expansion Project, will complement field mission regional trade policy activities in the Caribbean (the Caribbean Policy Project) and Central America (the Regional Trade Policy and Economic Integration Project), as well as Global Bureau resources based in Washington.

The benefits of trade (especially for small business) can be advanced markedly within the hemisphere prior to liberalization through the introduction of trade-enhancing infrastructure aimed at both expanding market access and lowering trading costs. This involves the introduction of public sector regulatory reforms, private sector streamlining of export/import transactions, use of personal computer and integrated network technologies to globally link traders, and modern geo-positioning and communications techniques to facilitate commercial shipping.

USAID will work closely with the multilateral donors in the region who will be funding the structural economic adjustment programs, as well as with regional institutions and NGOs

currently responsible for implementing programs, such as the Inter-American Institute for Agricultural Cooperation.

LAC/RSD-BBEG will work closely with the LAC/RSD Environment Team (LAC/RSD-E) on environmental protection issues, and with the LAC/RSD Education and Human Resources team (LAC/RSD-EHR) on training programs. Specifically, LAC/RSD-BBEG and LAC/RSD-E will continue to collaborate on activities which highlight: (1) the incorporation of environmental frameworks into free trade agreements; (2) minimizing potentially negative environmental impacts related to unsustainable free trade; and, (3) capturing the economic benefits to environment and natural resource management related to free trade. LAC/RSD-BBEG, LAC/RSD-E and the LAC/RSD Democracy and Human Rights Team (LAC/RSD-DHR) will collaborate on activities which develop environmental advocacy NGOs throughout the LAC region.

Finally, steps must be taken to ensure full access by women, and poor and low income groups, to the full benefits of free trade. Consequently, this strategy includes activities that will address cooperative labor-management involvement in plant management (with attention to "best practices"), implementation of mediation/arbitration procedures to reduce conflict, and studies to upgrade labor standards in LAC as a pre-requisite for economic integration with benefits that would include workers in both developed and underdeveloped countries throughout the hemisphere. Particular attention will be given to ensuring that women business owners have access to information, communication and outreach systems necessary for them to participate in and benefit more fully from free trade. The strategy will also result in assistance for regional institutions to improve their targeting and delivery systems to effectively reach women with agricultural technology, and to incorporate them more effectively in environmental protection. Retraining of displaced workers is a particular opportunity to gear skills-training for women as well as men to market demand, and to expand opportunity beyond traditional gender-stereotyped areas.

Specific program outcomes under this strategic objective include the following: (1) increased capability of target LAC countries to implement legal reforms needed for FTAA accession; (2) increased adoption of trade-enhancing infrastructure; (3) regional institutions established to support trade expansion; (4) increased adoption of improved environmental/natural resource management practices related to free trade; and (5) increased adoption of improved labor/management relations and practices related to free trade.

### C. Performance Indicators and Targets

To measure the achievement of the strategic objective, the following performance indicators have been selected:

- number of FTAA-related trade liberalization reforms enacted and implemented,
- percentage reduction in internal and external costs of selected market transactions,
- proportion of donor-funded Research and Development resources allocated to reinforcing specialization of LAC agriculture production on a global competitive basis,
- proportion of forests harvested on a sustainable basis (illustrative), and,
- proportion of industries employing environmental quality assurance systems registration (illustrative).

The indicators selected to measure performance of the program outcomes are as follows:

- Program Outcome 1 (increase capability of target LAC countries to implement legal reforms needed for FTA/ accession) - number of country and sub-regional implementation plans for FTAA accession;
- Program Outcome 2 (increased adoption of trade-enhancing infrastructure) - number of countries participating in new hemispheric-wide systems for telecommunication, geo-referencing, shipping and transportation, customs transactions and market information services;
- Program Outcome 3 (regional institutions established to support trade expansion) - number of dedicated hemispheric trade adjustment programs and institutions established;
- Program Outcome 4 (increased adoption of improved environmental/natural resource management practices related to free trade) - number of firms that have adopted improved environmental practices; and,
- Program Outcome 5 (increased adoption of improved labor/management relations and practices related to free trade) - countries establishing national procedures for obtaining the views of labor on trade issues.

Targets for these indicators are listed in Table 2 which accompanies this text.

#### D. Key Assumptions

The following assumptions are key to the success of this strategy and program:

- the political momentum in support of free trade in the hemisphere (both in the U.S. and LAC countries) continues;
- institutional mechanisms (democratic labor unions, agricultural export cooperatives, regional science and technology organizations) can either be established or reformed to support equitable and environmentally-sustainable free trade and economic growth;
- technical problems of "connectivity" and security of trade

- facilitation networks are eventually addressed with appropriate hardware and software;
- problems of computer illiteracy in both the U.S. and LAC do not prevent a gradual building of a "critical mass" of users to make the new trade facilitation networks both productive and financially sustainable; and,
  - public and private sectors can find appropriate institutional means to work cooperatively in both lowering traditional tariff barriers, as well as in developing newer, more trade efficient trade facilitation networks.

#### E. Consultations Used

LAC/RSD-BBEG has carried out consultations regarding its strategic objectives on both an intra- and inter-agency basis. Key USAID consultations have taken place with PPC, the Global Bureau's Economic Growth Center (G/EG), and various LAC program and project offices (including field Missions). Outside the Agency, consultations have held with affected USG agencies (especially with Commerce, USTR and the FCC), as well as with other donors mentioned previously. In addition, LAC/RSD-BBEG has discussed program objectives with the private sector, especially such important regional organizations as Caribbean/Latin American Action, the U.S. Chamber of Commerce and the World Trade Center Association.

#### F. Monitoring and Evaluating Performance

This is a new regional program strategic objective for which targets are not yet finalized. In the process of designing the activities which will contribute to the achievement of this objective, a plan for monitoring and reporting on results will be established. The plan will indicate what data is to be collected, the source of the data, how the data will be collected (measurement tools) and the frequency of the data collection. Ultimately, the data will be used to report on results/impact and in making strategic and programmatic decisions. It is anticipated that the monitoring and evaluation plan will be finalized by the end of this fiscal year.

A schedule of project evaluations will be included in the design of the Hemispheric Free Trade Project. Where possible, LAC/RSD-BBEG will cooperate with any planned G/EG, CDIE or field mission evaluations of similar trade programs. In addition, LAC/RSD-BBEG will implement in late FY 1995 an INTERNET discussion list to obtain up-to-date information from the hemisphere's public and private sectors on electronic commerce, trade efficiency and economic development. This electronic information system may also be used to carry out informal "reality checks" of existing or planned LAC/RSD-BBEG activities.

TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"

LAC Regional
Agency Goal: Broad-Based Economic Growth
STRATEGIC OBJECTIVE NO. 1: Resolution of Key Issues Impeding Environmentally Sound and Equitable Free Trade in the Hemisphere

PROGRAM OUTPUT NO. 1.1: Increased Capability of Target LAC Countries to Implement Legal Reforms Needed for FTAA Accession	PROGRAM OUTPUT NO. 1.2: Increased Adoption of Trade- Enhancing Infrastructure	PROGRAM OUTPUT NO. 1.3: Regional Institutions Established to Support Trade Expansion	PROGRAM OUTPUT NO. 1.4: Increased Adoption of Improved Environment/Natural Resource Management Practices Related to Free Trade	PROGRAM OUTPUT NO. 1.5: Increased Adoption of Improved Labor/Management Relations and Practices Related to Free Trade
PROJECTS (Number/title)	PROJECTS (Number/title)	PROJECTS (Number/title)	PROJECTS (Number/title)	PROJECTS (Number/title)
HFTE (598-0822)	HFTE (598-0822)	HFTE (598-0822)	HFTE (598-0822)	HFTE (598-0822)

1/a

TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

STRATEGIC OBJECTIVE NO. 1 Resolution of Key Issues Impeding Environmentally Sound and Equitable Free Trade in the Hemisphere				
Indicator 1.1: Number of FTAA Related Trade Liberalization Reforms Enacted and Implemented				
Unit: Number of reforms		Year	Planned	Actual
Source: USTR and WTO Data Bases	Baseline	1996	-----	
Comments: Specific improvements and target dates for FTAA construction will be determined at the June 1995 Trade Ministerial in Denver		1997		
		1998		
		1999		
	Target	2000		
Indicator 1.2: Percentage Reduction in Internal and External Costs of Selected Market Transactions				
Unit: Percentage		Year	Planned	Actual
Source: Monitoring Studies by Participating US Agency	Baseline	1996	-----	
Comments: Indicator requires further refinement in project design		1997		
		1998		
		1999		
		2000		

**STRATEGIC OBJECTIVE NO. 1 Resolution of Key Issues Impeding Environmentally Sound and Equitable Free Trade in the Hemisphere**

**Indicator 1.3: Proportion of Donor Funded R&D Allocated to Reinforcing Specialization of LAC Agriculture Production on a Global Competitive Basis**

Unit: Percentage		Year	Planned	Actual
Source: To be determined	Baseline	1996	-----	
Comments: Indicator requires further refinement in project design		1997		
		1998		
		1999		
	Target	2000		

**Indicator 1.4: Proportion of Forests Harvested on a Sustainable Basis (Illustrative)**

Unit: Percentage		Year	Planned	Actual
Source: Environmental NGO Surveys and USGS Data Bases	Baseline	1996	-----	
Comments: Indicator requires further refinement in project design		1997		
		1998		
		1999		
		2000		



**STRATEGIC OBJECTIVE NO. 1 Resolution of Key Issues Impeding Environmentally Sound and Equitable Free Trade in the Hemisphere**

**Indicator 1.5: Proportion of Industries Employing Environmental Quality Assurance Systems Registration (Illustrative)**

Unit: Percentage		Year	Planned	Actual
Source: USTR and WTO Data Bases	Baseline	1996	-----	
Comments: Indicator requires further refinement in project design		1997		
		1998		
		1999		
	Target	2000		

STRATEGIC OBJECTIVE NO. 1 Resolution of Key Issues Impeding Environmentally Sound and Equitable Free Trade in the Hemisphere				
PROGRAM OUTPUT NO. 1.1 Increased Capability of Target LAC Countries to Implement Improvements Needed for Constructing FTAA				
Indicator 1.1.1: Number of FTAA Related Trade Liberalization Reforms Enacted and Implemented				
Unit: Signed Mutual Obligations		Year	Planned	Actual
Source: USTR and WTO Data Bases	Baseline	1996	-----	
Comments: Specific improvements and target dates for FTAA construction will be determined at the June 1995 Trade Ministerial in Denver		1997		
		1998		
		1999		
	Target	2000		
PROGRAM OUTPUT NO. 1.2 Increased Adoption of Trade-Enhancing Infrastructure				
Indicator 1.2.1: Number of Countries Participating in New Hemispheric-wide Systems for Telecommunication, Geo-Referencing, Shipping and Transportation, Customs Transactions and Market Information Services				
Unit: Number of country operating systems		Year	Planned	Actual
Source: Participating US Agency Data Bases	Baseline	1996	-----	
Comments: Targets pending inventory to be completed in 1995 as first stage under project implementation.		1997		
		1998		
		1999		
		2000		

**STRATEGIC OBJECTIVE NO. 1 Resolution of Key Issues Impeding Environmentally Sound and Equitable Free Trade in the Hemisphere**

**PROGRAM OBJECTIVE: 1.3 Regional Institutions Established to Support Trade Adjustments**

**Indicator 1.3.1: Number of Dedicated Hemispheric Trade Adjustment Programs and Institutions Established.**

<b>Source:</b> USTR and OAS studies	<b>Baseline</b>	1996	-----	
<b>Comments:</b> Key industrial sectors will be identified and competition policy clarified under project by March 1996 Trade Ministerial. Agriculture, Energy and Tourism are key sectors.		1997		
		1998		
		1999		
	<b>Target</b>	2000		

**PROGRAM OUTPUT NO. 1.4 Increased Adoption of Improved Environment/Natural Resource Management Practices Related to Free Trade.**

**Indicator: 1.4.1: Number of Firms that have Adopted Improved Environmental Practices.**

<b>Unit:</b> Trade related environmental practice		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b> EPA and Commerce Data Bases	<b>Baseline</b>	1996	-----	
<b>Comments:</b> March 1996 Trade Ministerial will determine ways to consult with environmental NGOs, business groups and environmental ministries on trade issues. Project design will clarify practices and targets.		1997		
		1998		
		1999		
	<b>Target</b>	2000		

**PROGRAM OUTPUT NO. 1.5 Increasing adoption of Improved Labor/Management Relations and Practices Related to Free Trade**

**Indicator 1.5.1: Countries establishing national procedures for obtaining the views of labor on trade issues.**

Unit: Number of countries adopting procedures		Year	Planned	Actual
Source: USTR data base	Baseline	1996	-----	
Comments: Procedures are to be identified in 1995 and established in March 1996 Trade Ministerial.		1997		
		1998		
		1999		
	Target	2000		

**Strategic Objective No. 2: Constraints to access to key factor markets reduced for small business (small entrepreneurs, small agricultural producers and microenterprises).**

**A. Rationale**

A necessary condition for broad-based economic growth in the hemisphere is full participation by all segments of society, particularly small entrepreneurs and agricultural producers. Given equitable access to factor and product markets, this segment of the economy is competitive as they generally make up for scale diseconomies by being more efficient users of capital and labor. However, equitable access to markets has been denied them in the past; special action is required to ensure their access to the expanding factor and product markets in the future. Making markets work for the poor, particularly the rural poor, is a leading strategic thrust of the LAC regional program.

The Global Bureau's microenterprise program intends to advance the state of knowledge of what works, improve the quality and quantity of Mission support to microenterprise, foster financial viability among financial providers, and better integrate microenterprise into USAID's overall economic growth strategy. The LAC regional program advances those aspects of microenterprise development that are particularly compelling in the LAC region. These currently include: (1) responding to the widening gap between rich and poor that is disproportionate in the region; (2) assisting fairly well-established local microenterprise finance institutions move from a small and static client-base to one with national impact; and (3) fostering the linkage and leveraging of capital between micro-finance institutions and the formal financial markets.

**B. Problem Areas, Programmatic Approaches, and Program Outcomes**

Evaluations have demonstrated that microenterprises, small businesses and small agricultural producers are competitive and can pay commercial interest rates, wages and rents on land. Historically, the problem facing small producers has been the relatively higher transactions costs for public and private firms doing business with smaller firms. The result is that resources were allocated by the market to larger producers and firms. LAC's program to make markets work for the poor focusses on those activities for which, by virtue of technological progress (telecommunications, computerized banking, GPS/GIS-based surveying and mapping, computerized parcel-based property registration), the transactions costs have decreased significantly and fully commercial market access by smaller firms is not only feasible and more cost-effective but more environmentally sound.

Small businesses, particularly those in developing countries, are often at a disadvantage in accessing either domestic or global markets. They have difficulty in obtaining current product pricing information, and in obtaining competitive credit, insurance, shipping and other services.

Private property is the backbone of open market capitalism. It is particularly important to small scale production agriculture. Significant progress has been made in the LAC region over the past decade related to the redistribution of land assets. Yet, often this progress has been not been solidified into stable private property systems and land markets. But economic integration will require similar private property systems throughout the hemisphere.

Export market access by the small businessmen including small agricultural producers either through direct marketing or through marketing cooperatives and associations holds substantial potential for equity and environmental aspects of broad-based growth. Yet the new trade points systems and the more information-intensive marketing systems are not scale neutral due to costs of marketing information hardware and software systems and associated training of personnel. USAID will begin by examining the related costs of small business participation in these new systems and work with NGOs and cooperatives to develop programs to specifically lower transactions costs of export marketing services for small business.

The LAC regional program will support the establishment of a regional private/public "cadastre" network to exchange information and advance the harmonization of private property systems, and the demonstration of advanced cadastre technologies in selected countries.

The program outcomes to be met under this strategic objective include the following:

- increased sources of small business lending,
- increased export-related information services available to small businesses, and,
- more efficient land titling systems adopted that benefit small producers and businesses.

#### C. Performance Indicators and Targets

In order to measure the achievement of the strategic objective, the following performance indicators have been selected:

- number and total loan volume of microenterprises receiving loans,
- number of small producers using trade points, and

- number of land titles issued to small producers (that is, less than 10 hectares) in target countries.

The following indicators have been selected to measure the achievement of the first program outcome (increased sources of small business lending):

- number of financial instruments established, and,
- number of countries/intermediaries using new lending instruments.

To measure the achievement of Program Outcome No. 2 (increased export-related information services available to small businesses), the following indicators have been selected:

- number of trade points established and participation rates by small business, and,
- number of third party audited quality assurance systems introduced in selected non-traditional agriculture export producer groups in selected countries.

Finally, the following indicators have been selected to measure the achievement of the third program outcome (more efficient land titling systems adopted that benefit small producers and businesses):

- number of locations where improved land titling systems for small landowners are adopted,
- percent of country area where systems are used, and,
- percent of population with access to improved systems.

#### D. Key Assumptions

Key assumption include the following:

- continued political support for land titling and privatization programs in Latin America,
- credit market conditions in LAC continue to provide a favorable atmosphere for encouraging commercial banks to small and micro-enterprise lending as a source for future growth, and,
- small farmers adopt new export processing standards.

#### E. Consultations Used

Consultations have taken place with the USDA, the PVO community (especially ACCION), the World Bank, the IDB and UN trade facilitation networks supported by UNDP and UNCTAD.

#### F. Monitoring and Evaluating Performance

This strategic objective is also new and therefore a monitoring and evaluation system has not yet been finalized. LAC/RSD-BBEG is in the process of establishing a data system that will report on progress made towards accomplishing the strategic objective. The data system will specify the indicators to be reported on and monitored, the sources of data and measurement tools and the frequency of the data collection. Routine project evaluations will be scheduled for the new Privatization of Agricultural and Urban Lands Project. In addition, LAC/RSD-BBEG will cooperate with any planned G/EG, CDIE or field mission evaluations of similar microenterprise and land tenure related programs.



LAC Regional
Agency Goal: Broad-Based Economic Growth
STRATEGIC OBJECTIVE NO. 2: Constraints to Access to Key Factor Markets Reduced for Small Business (Small Entrepreneurs, Small Agricultural Producer and Microenterprises)

PROGRAM OUTPUT NO. 2.1: Increased Sources of Small Business Lending	PROGRAM OUTPUT NO. 2.2: Increased Export-Related Information Services Available to Small Businesses	PROGRAM OUTPUT NO. 2.3 More Efficient Land Titling Systems Adopted that Benefit Small Producers and Businesses
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Project (Number\Title)	Project (Number\Title)	Project (Number\Title)
Sustainable Microfinance	HFTE (598-0821)	PAUL (598-0821)
(598-0820)	LACTECH (598-0807)	HFTE (598-0822)

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TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

STRATEGIC OBJECTIVE NO. 2 Constraints to Access to Key Factor Markets Reduced for Small Business Small Entrepreneurs, Small Agricultural Producer and Microenterprises).				
Indicator 2.1: Increased Sources of Small Business Lending				
Unit: Number		Year	Planned	Actual
Source: Monitoring Studies and NGO Data Bases	Baseline	1996	-----	
Comments: Indicator requires further refinement in project design		1997		
		1998		
		1999		
	Target	2000		
Indicator 2.2: Increased Export-Related Information Services Available to Small Businesses				
Unit: Number		Year	Planned	Actual
Source: Monitoring Studies	Baseline	1996	-----	
Comments: Indicator requires further refinement in project design		1997		
		1998		
		1999		
		2000		

STRATEGIC OBJECTIVE NO. 2 Constraints to Access to Key Factor Markets Reduced for Small Business Small Entrepreneurs, Small Agricultural Producer and Microenterprises).

Indicator 2.3: More Efficient Land Titling Systems Adopted that Benefit the Small Producers and Businesses.

Unit: Number		Year	Planned	Actual
Source: Monitoring Studies	Baseline	1996	-----	
Comments: Indicator requires further refinement in project design		1997		
		1998		
		1999		
	Target	2000		

STRATEGIC OBJECTIVE NO. 2 Constraints to Access to Key Factor Markets Reduced for Small Business Small Entrepreneurs, Small Agricultural Producer and Microenterprises).

Indicator 2.1: Number of Financial Instruments Established

Indicator 2.1.1: Number of Countries/Intermediaries Using New Instruments

Unit:		Year	Planned	Actual
Source:	Baseline	1996		
		1997		
Comments:		1998		
		1999		
	Target	2000		

PROGRAM OUTPUT NO. 2.2 Increased Export-Related Information Services Available to Small Businesses

Indicator 2.2.1: Number of Trade Points Established and Participation Rates by Small Businesses

Indicator 2.2.2: Number of Third Party Audited Quality Assurance Systems Introduced in Selected NTAE Producer Groups in Selected Countries.

Unit:		Year	Planned	Actual
Source:	Baseline	1996		
Comments:		1997		
		1998		
		1999		
	Target	2000		

PROGRAM OUTPUT NO. 2.3 - More Efficient Land Titling Systems Adopted that Benefit Small Producers and Businesses.

Indicator 2.3.1: Number of Locations Where Improved Land Titling Systems for Small Landowners Are Adopted

Indicator 2.3.1.1: Percent of Country Area Where Systems are Used

Indicator 2.3.1.1.1.: Percent of Population with Access to Improve Systems

**Strategic Objective No. 3: Improved human resources policies adopted in selected LAC countries.**

**A. Rationale**

Education reform is a current and important issue on the hemispheric agenda. With the dramatic shift in most of the LAC region toward open economies and democratic governance, LAC countries are increasingly concluding that success in international trade and political stability depends more on human resources than other factors. Open economies require an internationally competitive labor force. Less widely understood, however, are the failure of existing public school systems and the policy options that countries face as they attempt new approaches to educational development. It is not surprising then that the USAID/LAC initiative in education policy reform was widely accepted by hemispheric leaders at the Summit of the Americas.

Investing in people by improving their skills through education and training directly supports the Agency's four strategic goals. The LAC Strategy notes that continuity in long-term investment in education, among other things, is important to the ability of the poor to obtain higher-paying jobs. Girls' basic education levels still trail those of boys in a number of sustainable development countries. Improved levels of primary education completion is a goal that also serves as an indicator of developmental success. Inadequate investment in human capital by most LAC countries will make poverty reduction difficult. The benefits derived from focused investments in human resource development and training in the region are well established. The development literature documents the high economic and social returns on investments in human resources, including increased earnings; more frequent employment; greater agricultural productivity; lower fertility rates; reduced infant, child and maternal mortality and morbidity rates; improved child nutrition; reduced HIV infection rates; improved natural resource management; increased participation in civil society; and increased inter-generational education.

Drawing on more than 30 years of experience, USAID has provided leadership in a variety of educational and training efforts and has been a pioneer in developing effective methods for educational policy, planning and sector assessments. With education sector reform high on the agenda of most LAC countries, USAID has valuable experience to share to make these reform processes more effective. Country-level reform needs to be supported by regional mechanisms which will facilitate comparative analysis, networking and the information-sharing anticipated by the Summit of the Americas.

## B. Problem Areas, Programmatic Approaches, and Program Outcomes

Despite impressive gains in access to education, the quality and value of the education children receive is inadequate in most countries of the LAC region. Only half the students who begin primary school complete it. Secondary schools fail to provide the skills necessary for economic competition or modern citizenship. Education systems are unresponsive to those they should serve and are resistant to change. New strategies and policies for education in the region are needed.

The Summit of the Americas' Plan of Action calls for governments to achieve 100 percent primary school attainment and 75 percent secondary school enrollment by the Year 2010. The Plan of Action outlines a number of actions governments will take to achieve these objectives including the development of an educational forum to share lessons learned in the region. USAID will support, through the proposed new LAC Regional Partnership for Education Reform in the Americas (PERA) Project, the development of a consultative forum for governments, NGOs, the business sector and other international organizations in the region. The objective of the forum will be to share experiences and develop strategies and policies for the transformation of the education sector. The forum will be facilitated through the establishment of a secretariat which will be housed in an existing international organization and will provide technical assistance to support networking functions, policy analysis and other country-level development. It is primarily through the PERA project that the two program outcomes of this strategic objective will be met: (1) strengthened capabilities of key public and private organizations to support policy change; and (2) education policy analysis developed in targeted LAC countries.

## C. Performance Indicators and Targets

To measure the achievement of the strategic objective, the following performance indicators have been selected:

- number of education policies (by area, by country) adopted in selected LAC countries, and,
- percent of education budget allocated to primary education in selected LAC countries.

The indicators selected to measure performance of the first program outcome (strengthened capabilities of key public and private organizations to support policy change) are:

- number of trained educational policy analysts,
- number of workshops held to share lessons learned on education policy reform, and,

- number of organizations (by government, NGO, private sector, community) participating in the development and implementation of educational policy analysis.

Indicators for the second program outcome (education policy analysis developed in targeted LAC countries) are:

- number of education sector assessments, policy analyses and "white papers" exercises conducted, and
- number of policy analyses and lessons learned disseminated in LAC Region.

Although LAC will target the seven countries in the region that have an active USAID education and training program, it is anticipated that all countries in the region will benefit from the program. Increased use of the secretariat is expected to be seen in at least five countries by 1997 and in all by 1999. The PERA secretariat will set up a regional monitoring system to track the implementation of country education reform programs and the other program outcome indicators outlined above.

Education reform initiatives and policy analyses will focus attention on gender bias and gender stereotyping. Studies on minority groups will look at both boys and girls particularly with respect to increasing participation of girls and other relevant subgroupings. Studies will also look at the influence of stereotyping and quality and relevance of education as factors which may effect completion rates.

#### D. Key Assumptions

The following assumptions are key to the accomplishment of this strategic objective:

- the countries that signed the Summit Plan of Action are committed to implementing the education initiative;
- other donors and international agencies (the IDB, the World Bank, UNICEF, the Ford Foundation) will support the implementation of the Summit initiative and the PERA activities in education policy reform;
- the interagency, inter-country initiative will develop a clear definition of roles for the PERA secretariat;
- the PERA secretariat will have the technical capacity and institutional will to carry out the program;
- country-level technical, managerial and financial resources will be adequate to carry out the educational reforms; and,
- sufficient in-country political commitment to support educational reform can be generated and sustained.



#### E. Consultations

The draft strategic objective, program outcomes and indicators were shared with the Global Bureau's Human Capacity Development (G/HCD) Center and, subsequently, the strategic plan was discussed in a meeting with G/HCD. In addition, LAC is coordinating its strategy with the IDB, the World Bank, the US Department of Education, and other organizations. Other international organizations and LAC countries will be brought into the consultation process as the PERA Project is developed.

#### F. Monitoring and Evaluation Performance

Although this is a new strategic objective, some activities were already being implemented under the former LAC regional objective dealing with improving human resource skills. An education data system has been developed which has compiled the latest data on 30 key educational variables for each country in the region. The data system provides LAC with an excellent data base and over time will allow LAC to track progress toward the strategic objective. In addition, the secretariat for the partnership for education reform will collect key data on progress toward policy objectives.

**TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"**

<b>LAC Regional</b>
<b>Agency Goal: Addressing Cross-Cutting Development Issues</b>
<b>STRATEGIC OBJECTIVE NO. 3: Improved human resource policies adopted in selected LAC countries</b>

<b>PROGRAM OUTCOME NO. 3.1 Strengthened capabilities of key public and private organizations to support policy change</b>	<b>PROGRAM OUTCOME 3.2 Education policy analyses developed in targeted LAC countries</b>
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<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>
Partnership in Educational Reform in the Americas (PERA) 598-0832	Inter-American Dialogue (598-0819)
Inter-American Dialogue (598-0819)	Partnership in Educational Reform in the Americas (PERA) 598-0832

LAC Regional				
STRATEGIC OBJECTIVE NO. 3: Improved human resource policies adopted in selected LAC countries				
Indicator 3.1: Number of education policies (by area, by country) adopted in selected countries				
Unit: Number/Target countries		Year	Planned	Actual
Source: PERA Secretariat Reports	Baseline	1995	---	
Comments:		1996	3	
		1997	6	
		1998	10	
		1999	10	
		2000	29	
Indicator 3.2: Percent of education budgets allocated to primary education in selected countries				
Unit: Number of countries with increase budgets		Year	Planned	Actual
Source: PERA Secretariat Reports	Baseline	1995	---	
Comments:		1996	---	
		1997	2	
		1998	4	
		1999	4	
		2000	10	

LAC Regional				
PROGRAM OUTCOME NO. 3.1: Strengthened capabilities of key public and private organization to support policy change.				
Indicator 3.1.1: Number of trained education policy analysts				
Unit: Number of trained analysts		Year	Planned	Actual
Source: PERA Secretariat	Baseline	1996	-----	
Comments:		1997	20	
		1998	40	
		1999	60	
		2000	100	
	Target	2000	220	
Indicator 3.1.2: Number of Workshops held to share lessons learned on educational policy reform				
Unit: Number of Workshops		Year	Planned	Actual
Source: PERA Secretariat Reports	Baseline	1996	2	
Comments:		1997	3	
		1998	5	
		1999	5	
		2000	5	
	Target	2000	20	

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LAC Regional				
PROGRAM OUTCOME NO. 3.1: Strengthened Capabilities of Key Public and Private Organization to support policy dialogue				
Indicator 3.1.3: Number of Organization participating in development and implementation of educational policy analysis				
Unit: Number by government (NGO, Private Sector)		Year	Planned	Actual
Source: PERA Secretariat Reports	Baseline	1995	50	
		1996	75	
		1997	100	
		1998	100	
		1999	100	
	Target	2000	425	

LAC Regional				
PROGRAM OUTCOME NO. 3.2: Educational Policy Analyses developed in targeted LAC countries				
Indicator 3.2.1: Number of education sector assessments, policy analysis, conducted				
Unit: Number of policy analyses		Year	Planned	Actual
Source: PERA Secretariat Reports	Baseline	1995	---	
		1996	20	
		1997	40	
		1998	40	
		1999	60	
	Target	2000	180	
Indicator 3.2.2: Number of policy analyses disseminated				
Unit: Number of policy analyses		Year	Planned	Actual
Source: PERA Secretariat Reports	Baseline	1995	---	
Comments:		1996	20	
		1997	40	
		1998	40	
		1999	60	
	Target	2000	160	

## **GOAL: PROTECTING THE GLOBAL ENVIRONMENT**

**Strategic Objective No. 4: Improved protection of selected LAC parks and protected areas representing a variety of ecosystems.**

### **A. Rationale**

The LAC Region contains 40 percent of the world's biodiversity and half of the world's remaining tropical forests. Intact and healthy tropical habitats, and the biodiversity they contain, provide LAC populations with dependable water resources, fuelwood, timber and other building materials, food, medicines, and revenues from ecotourism. In addition, biodiversity and intact forests provide the global community with insurance against future global warming by limiting the rate of carbon dioxide accumulation in the atmosphere, provide the potential for new crops, crop varieties, and plant genes, and provide potential medicinal and industrial benefits.

The LAC region has among the world's highest deforestation rates (about 11 million hectares are lost each year), and unwise and unsustainable human encroachment on other critical habitats (that is, wetlands, grasslands, mangroves and coral reefs) threatens LAC biological diversity in ways that will reduce food security and broad-based economic development. This strategic objective meets the Agency goal of protecting the global environment, and helps meet objectives of "broad-based economic growth" by improving the management of natural resources used by the marginal rural poor, and the management of watersheds which provide clean and dependable water sources for urban populations. The Summit of the Americas' Declaration of Principles and the Central America/Panama/US CONCAUSA agreement both reflect the high importance placed on conserving the region's biodiversity.

Protecting a variety of key ecosystems in LAC requires a regional program in presence and key close-out countries which is better able to deal with regional and/or transnational ecosystems protection and issues. The LAC region has uniquely strong environmental NGOs, which serve as foci of lessons learned for other newly-developing environmental NGOs. Cultural similarities throughout the region facilitate lessons learned between protected area sites. A regional approach to achieving this strategic objective is further justified in that certain elements of seeking sustainable funding sources for protected areas will be implemented on a sub-regional basis (that is, Central American and Caribbean trust funds). Finally, one agreement with the implementing organization can be utilized and is preferable to having a dozen or so country-based agreements.

## B. Problem Areas, Programmatic Approaches, and Program Outcomes

Many LAC parks and protected areas, representative of key ecosystems, are threatened by increasing pressures resulting from demands for agricultural and grazing land, uncontrolled hunting, and the need for wood products for fuelwood and construction materials. LAC governments, in many cases, lack the resources to ensure that these "protected" areas have minimum staff, infrastructure, and operational funds to ensure their adequate protection. Local communities often do not fully appreciate the economic and social value of these ecosystems and the biodiversity they contain. Often local communities have not been actively involved in decisions related to park/reserve establishment or protection. Sufficient attention has not been given to ensuring that communities both perceive and share in the benefits which are derived from park/reserve protection activities.

Protecting habitats includes more than enforcing park boundaries, or purchasing, through local NGO partners, important natural areas. Critical elements of the ongoing LAC Regional Parks in Peril Program also include: 1) strengthening community, local NGO, national government and regional organizational capacity to appreciate, manage and protect their biological diversity; 2) affecting national policies and practices which impact funding for the protection of natural areas; and 3) identifying and promoting alternative income sources to the exploitative use of resources of parks and protected areas in buffer zones contiguous to parks and protected areas. The Parks in Peril Program is implemented in collaboration with local governments and local NGOs in targeted ecosystems throughout the LAC region. The program collaborates closely with other USAID and other donor-supported biodiversity protection and natural resources management efforts in pursuing its objectives.

The program outcomes for this strategic objective are as follows:

- strengthened local capacity for long-term protection of targeted parks and protected areas,
- strengthened capacity of targeted NGOs for long-term management of targeted parks and protected areas,
- community constituency developed to support long-term management of targeted parks and protected areas, and,
- sustainable non-USAID funding sources attained or created for parks and protected areas.

## C. Performance Indicators and Targets

In order to measure the achievement of the strategic objective, the following performance indicator has been selected:



- number and area of targeted parks or protected areas with adequate management.

Targets for this indicator and the program outcomes can be found in Table 2 which accompanies this text.

Indicators for Program Outcome 1 (strengthened local capacity for long-term protection of targeted parks and protected areas) include the following:

- number of sites with trained park guards and protected areas,
- number of sites with minimum infrastructure established, and, and
- number of sites with personnel and equipment available for demarcating and patrolling park boundaries.

For Program Outcome 2 (strengthened capacity of targeted NGOs for long-term management of targeted parks and protected areas), the following indicators have been selected:

- number of NGOs effectively strengthened (according to Parks in Peril criteria), and,
- number of local NGOs participating in development and implementation of improved government policies and partnerships affecting park management.

The following indicators have been selected to measure performance of Program Outcome 3 (community constituency developed to support long-term management of targeted parks and protected areas):

- number of people (by site, gender) aware of importance of local park site, and,
- number of people (by site, gender) involved with consultation and decision-making at park sites.

For the fourth and last program outcome for this strategic objective (sustainable non-USAID funding sources attained or created for parks and protected areas), the following performance indicators have been selected:

- sites receiving annual government contributions of park personnel and infrastructure at current or increased levels;
- NGOs receiving long-term funding from fund raising, debt swaps, or bilateral and multilateral sources;
- number of parks and protected areas with long-term financial management plans completed by GOVERNMENT/NGO partners, and,
- number of new National Environmental Funds initiated.

#### D. Key Assumptions

The following assumptions are key to the success of this program:

- LAC governments continue to maintain a high-level commitment to the protection of targeted parks and protected areas which are representative of a variety of key ecosystems;
- USAID and other international donor organizations collaborate closely in working with local governments, NGOs and others in identifying and establishing sustainable funding mechanisms for biodiversity protection programs;
- biodiversity protection activities in targeted areas are not disrupted significantly by political instability and/or civil unrest; and,
- LAC governments are willing to collaborate to address issues of a transnational nature related to biodiversity protection.

#### E. Consultations Used

In addition to consultations with the Global Bureau's Environment Center and PPC in finalizing the strategic objective and program outcomes, consultations on the importance of biodiversity protection of key ecosystems in the LAC region were carried out with LAC government officials, NGOs, international donors, private sector, and LAC USAID bilateral and regional missions. The Summit of the Americas Declaration of Principles and the Central America/Panama/US CONCAUSA agreement both reflect the high importance placed on conserving the region's biodiversity. TNC also has had extensive ongoing consultations with its partners (NGO and government) in various LAC countries. In addition, it is pursuing greater donor collaboration in financing the Parks in Peril Project.

#### F. Monitoring and Evaluating Performance

The primary activity in pursuit of this strategic objective is the Parks in Peril Project. Monitoring strategies have been developed, and USAID and The Nature Conservancy (TNC) worked collaboratively to develop the objective, program outcomes and indicators. TNC develops its work plans and budgets toward the achievement of agreed to outcomes and reports annually on program outcomes and indicators. Periodic external evaluations will contribute to the process as well.

**TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"**

<b>LAC Regional</b>
<b>Agency Goal: Protecting the Global Environment (Biological Diversity)</b>
<b>STRATEGIC OBJECTIVE NO. 4: Improved protection of selected LAC parks and protected areas representing a variety of ecosystems.</b>

<b>PROGRAM OUTCOME NO. 4.1: Strengthened local capacity for long-term, on-site protection of targeted parks and protected areas.</b>	<b>PROGRAM OUTCOME NO. 4.2: Strengthened capacity of targeted NGOs for long-term management of targeted parks and protected areas.</b>	<b>PROGRAM OUTCOME NO. 4.3: Community constituency developed to support long-term management of targeted parks and protected areas.</b>
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<b>Parks in Peril (598-0782)</b>	<b>Parks in Peril (598-0782)</b>	<b>Parks in Peril (598-0782)</b>

<b>PROGRAM OUTCOME 4.4: Sustainable non-USAID funding sources attained or created for parks/protected areas.</b>
<b>Parks in Peril (598-0782)</b>

(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 4.1 Strengthened local capacity for long-term, on-site protection of targeted parks and protected areas.				
Indicator: 4.1.1: Number of sites with trained park guards and protected areas				
Unit: Number		Year	Planned	Actual
Source: Implementing Agencies	Baseline	1990	-----	0
Comments:		1994		4
		1995	10	
		1996	15	
		1997	20	
		1998	27	
	Target	1999	31	
Indicator 4.1.2: Number of sites with minimum infrastructure established				
Unit: Number		Year	Planned	Actual
Source: Implementing Agencies	Baseline	(1990)	-----	0
Comments:		1994		4
		1995	10	
		1996	15	
		1997	20	
		1998	27	
	Target	1999	31	

(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 4.1 Strengthened government capacity for long-term protection of targeted parks and protected areas.				
Indicator: 4.1.3: Number of sites with personnel and equipment available for demarcating and patrolling park boundaries				
Unit: Number		Year	Planned	Actual
Source: Implementing Agencies	Baseline	1990	-----	0
Comments:		1994		4
		1995	10	
		1996	15	
		1997	20	
		1998	27	
	Target	1999	31	

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(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 4.2 Strengthened capacity of targeted NGOs for long-term management of targeted parks and protected areas.				
Indicator: 4.2.1: Number of NGOs effectively strengthened (according to PiP criteria)				
Unit: Number of NGOs passing The Nature Conservancy's institutional assessment		Year	Planned	Actual
Source: Implementing Agency	Baseline	1990	-----	0
Comments: Criteria from Implementing Agency's institutional assessment include:  (1) Report writing (2) Pass audit (3) Project Planning capabilities  etc.		1994		6
		1995	7	
		1996	8	
		1997	9	
		1998	10	
	Target	1999	12	
Indicator: 4.2.2: Number of local NGOs participating in the development and implementation of improved government policies and partnerships affecting park management				
		Year	Planned	Actual
Source: The Nature Conservancy	Baseline	(1995)	-----	0
Comments: To be determined		1995		
		1996		
		1997		
		1998		
	Target	1999		

(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 4.3 Community constituency developed to support long-term management of targeted parks and protected areas				
Indicator: 4.3.1: Number of people (by site, gender) aware of the importance of local park site				
Unit: Number		Year	Planned	Actual
Source: Implementing Agency	Baseline	(1995)	-----	
Comments: To be determined  Note: This is a new activity recommended by the external evaluation.		1995		
		1996		
		1997		
		1998		
	Target	1999		
Indicator: 4.3.2: Number of people (by site, gender) involved with consultation and decision-making at park sites				
		Year	Planned	Actual
Source: Implementing Agency	Baseline	(1995)	-----	
Comments: To be determined  Note: This is a new activity recommended by the external evaluation.		1995		
		1996		
		1997		
		1998		
	Target	1999		

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(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 3 Community constituency developed to support long-term management of targeted parks and protected areas				
Indicator: 4.3.3: Number of people (by site, gender), communities engaged in conservation-oriented activities in and around local local park site				
Unit: Number		Year	Planned	Actual
Source: Implementing Agency	Baseline	1995	-----	
Comments: To be determined		1995		
		1996		
		1997		
		1998		
	Target	1999		



(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 4.4 Sustainable non-USAID funding sources attained or created for parks and protected areas				
Indicator: 4.4.1: Sites receiving annual government contributions of park personnel and infrastructure at current or increased levels				
Unit: Number of parks sites with funding		Year	Planned	Actual
Source: Implementing Agency	Baseline	1990	-----	0
Comments:		1994		26
		1995	27	
		1996	28	
		1997	29	
	Target	1998	31	
Indicator: 4.4.2: NGOs receiving long-term funding from fund raising, debt swaps, or bilateral and multilateral sources.				
		Year	Planned	Actual
Source: Implementing Agency	Baseline	(1990)	-----	0
Comments:		1994		6
		1995	7	
		1996	8	
		1997	9	
		1998	10	
	Target	1999	12	

(Country Name)

LAC Regional

PROGRAM OUTCOME NO. 4.4 Sustainable non-USAID funding sources attained or created for parks and protected areas

Indicator: 4.4.3: Number of parks and protected areas with long-term financial management plans completed by GO/NGO partners.

Unit: Number of parks sites		Year	Planned	Actual
Source: Implementing Agency	Baseline	1990	-----	0
Comments:		1994		4
		1995	10	
		1996	15	
		1997	20	
		1998	23	
	Target	1999	27	

Indicator: 4.4: Number of new National Environmental Trust Funds initiated.

		Year	Planned	Actual
Source: Implementing Agency	Baseline	(1990)	-----	0
Comments:		1995		3
		1996	4	
		1997	5	
		1998	6	
	Target	1999	7	

23.10

## **GOAL: STABILIZING POPULATION GROWTH AND PROTECTING HUMAN HEALTH**

There are two strategic objectives proposed in the population, health and nutrition sector: increased effectiveness of health services; and, implementation of health reforms to increase equitable access to basic health services. Clearly, the objectives are related.

The health reforms strategic objective (Strategic Objective Number 6) responds directly to the Summit of the Americas' health initiative intending country changes in public/private roles, as well as in health financing and management, that undergird the provision of more effective health services in an equitable manner. These reforms act on the enabling systems which make service provision possible. Strategic Objective Number 5, in contrast, will work to improve the technical aspects of service provision, like service delivery norms (at what age should measles vaccine be provided), targeting resources to populations with worst health (more cases of disease per capita) or less utilization of health services (lower coverage rates), and improving long-term ability to provide services by increasing participation by local organizations (NGOs and commercial providers in addition to the public sector), and increasing reliance on local funding. The issues dealt with are related; for example, legal and regulatory reforms may be required for public sector institutions to collect fees for health services, but a Ministry of Health will need to decide how to set fees, collect them, account for them, and use the funds collected. Both aspects are necessary for services to be more effective in improving health and reducing unintended pregnancies, the major elements of the Agency's goals in this sector.

### **Strategic Objective No. 5: More effective delivery of selected health services.**

#### **A. Rationale**

Health services (such as vaccinations, acute respiratory infection control, diarrheal disease control, HIV/AIDS prevention, family planning) on which the program will focus are being selected based on their importance to USAID's overall population/health strategy and likelihood of positive impact through a regional mechanism. The LAC development assistance strategy supports this approach; the selected health services are also those that are targeted for equitable access by the Summit of the Americas' health initiative. The idea is to advance the priority programs of the Agency in LAC by influencing LAC governments in setting agendas, policies and standards.

The outcomes selected (policies, norms and standards; targeting services to neediest; and increased national resources [including budgets and national organizations] supporting

services) have been identified as the primary ways that a regional program can intervene in target countries to effect change in delivery of the health services selected. The LAC Regional Accelerated Immunization I and II Projects have been highly successful using this approach. The activities which support the national changes needed are regional in nature and would be less efficient if carried out on a country-specific basis and less effective if done on a global basis. It would be a waste of effort, for example, to establish standards for appropriate home fluids as part of diarrheal disease control efforts separately for each and every country of the region, yet the cultural differences between Latin America and other regions make it impractical to identify them on a global basis. Regional actions can be more effective than global ones due to the similarities in health systems structure, culture, and language.

#### B. Problem Areas, Programmatic Approaches, and Program Outcomes

This strategic objective responds to the continuing need for LAC countries to address USAID priority health areas<sup>1</sup> by providing more effective services. Infant and child mortality remain high, especially among disadvantaged populations. Over 135,000 of these deaths are due to pneumonia in the developing countries of LAC. Other major causes of infant and child mortality in the region are diarrhea and vaccine-preventable diseases, especially measles. The number of annual infant deaths in the region, most of which are preventable, exceeds half a million.

The accelerating transmission of HIV within the region is also disturbing. It is estimated that there have been more than 2 million infections in the LAC region, and the epidemic is growing by about 1,000 new infections per day. By contrast, the United States, where the epidemic began earlier, has about one million infections. In view of current migration and travel patterns, the LAC epidemic threatens not only to thwart the region's development but also to complicate U.S. control efforts.

Fertility still exceeds five children per woman in several LAC countries and remains high in many others, particularly in rural areas and among indigenous populations. Maternal deaths in LAC are also unconscionably high, with rates about 20 times those in North America.

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<sup>1</sup>Final decisions regarding which health interventions will be included will be made during project development. This section describes the need for each of USAID's health priority areas in LAC.

To address the problem of insufficient and poor quality health services to combat these health problems, the proposed new Health Priorities Project, will provide resources for regional support and guidance to the governments of LAC. Regionally-adapted norms and standards will be developed and country decision makers will be engaged in policy dialogue to encourage acceptance of these standards at the country level; and technical assistance will be provided to adapt regional standards to local conditions and in their application in country plans and programs for health services. Surveillance systems, indicators and definitions will be established regionally, and technical assistance provided to target country governments to enable them to identify the neediest populations, to target resources to those populations and to monitor progress in reaching the neediest people. Regional and sub-regional advisers will work with national governments to establish national coordinating committees for the priority services selected for this program to foster the representation of all health care providers (public, NGOs and the commercial sector) and donors on such committees, and make plans for the assumption of recurrent costs for service delivery with national funds. The support to national programs by regionally-provided technical assistance will result in leveraging additional resources from other donors both at the country and regional level.

The outcomes of this regional assistance will be: improved country norms, standards, plans and policies developed and used; improved targeting of resources to neediest populations; and increased national resources supporting selected health services.

### C. Performance Indicators and Targets

In order to measure the achievement of the strategic objective, the following performance indicators are illustrative (indicators will be chosen to correspond to the health services selected for the Health Priorities Project):

- The number/proportion of target countries with:
- >80% of pneumonia in children <5 years old treated with appropriate case management;
  - >80% of diarrhea in children <5 years old treated with ORT and continued feeding;
  - missed opportunities to vaccinate <10%;
  - 95% of appropriate service delivery points offer family planning methods;
  - >50% of sexually transmitted diseases (other than HIV/AIDS) treated appropriately; and,
  - >75% of service delivery points stocked with condoms and HIV/AIDS educational materials.

The indicators selected to achieve Program Outcome 1 (improved country norms, standards, plans, and policies developed and used) are as follow:

For each service selected, the number/proportion of target countries with:

- policies, norms/standards, and plans for delivery of selected services approved; and,
- program resources allocated and spent as planned.

The selected indicators for Program Outcome 2 (improved targeting of resources to neediest populations) are as follows:

For each service selected, the number/proportion of target countries with:

- plans that allocate resources in proportion to the magnitude and severity of need; and,
- program resources used where planned.

For Program Outcome 3 (increased national resources supporting selected health services), the selected indicators are as follow:

For each service selected, the number/proportion of target countries with:

- increased percentage and amounts of recurrent costs (identified in national plans) paid with national funds; and,
- increased diversity of local institutions (for example, NGOs) represented on national committees that collaborate on service delivery, for example, Interagency Coordinating Committee for Children's Summit or its sub-committees for immunization, acute respiratory infection, etc.

Targets for these indicators are listed in Table 2 which accompanies this text.

#### D. Key Assumptions

The following assumptions are key to the success of this program:

- the mechanisms and methods of work which were effective for the Pan American Health Organization (PAHO) Expanded Program on Immunizations are transferrable to other health services;
- an implementing agency which has the technical capacity and institutional will to carry out this program can be engaged;
- LAC governments are willing to follow technical advice;
- LAC governments have enough technical personnel to tackle improvements in several programs simultaneously;

- LAC health service providers and financing sources can change planning and budgeting systems to target specific high priority services and geographic areas; and,
- Missions and host country counterparts can effectively coordinate this regional program with other USAID country mission initiatives and other donor inputs.

#### E. Consultations Used

The draft strategic objective, program outcomes and indicators (strategic objectives tree) were discussed in a meeting that included the Global Bureau's Population, Health and Nutrition (G/PHN) Center's participation. Subsequently, the revised strategic objectives tree was circulated for comments to G/PHN office directors and the PPC Deputy Assistant Administrator for PHN. In addition, preliminary discussions have been held with the Pan American Health Organization (PAHO) concerning LAC's interest in expanding our collaboration with them to implement the Health Priorities Project. During Summit of the Americas follow up meetings, LAC staff have advised other donors of USAID's planned activities under this strategic objective.

#### F. Monitoring and Evaluating Performance

Over the next nine months, the Health Priorities Project will be developed, and it is expected health services for inclusion in the project will be finalized, a complete definition of each indicator will occur, baseline for all indicators will be collected and performance targets will be identified. It is expected that the implementing agency will have the primary responsibility for collecting and reporting data to the LAC/RSD Population, Health and Nutrition Team.

TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"

LAC Regional
Agency Goal: <u>Stabilizing World Population and Protecting Human Health</u>
STRATEGIC OBJECTIVE NO. 5: More effective delivery of selected health services

PROGRAM OUTCOME NO. 5.1: Improved country norms, standards, plans and policies developed and used.	PROGRAM OUTCOME NO. 5.2: Improved targeting of resources to neediest populations.	PROGRAM OUTCOME NO. 5.3: Increased national resources supporting selected health services.
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PROJECTS (Number/title)	PROJECTS (Number/title)	PROJECTS (Number/title)
598-0825 Health Priorities	598-0825 Health Priorities	598-0825 Health Priorities
598-0831 Equitable Access to Basic Health Services	598-0831 Equitable Access to Basic Health Services	598-0831 Equitable Access to Basic Health Services

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TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

TABLE 2. STRATEGIC OBJECTIVE PERFORMANCE

(Country Name)	LAC Regional			
STRATEGIC OBJECTIVE NO. 5 More effective delivery of selected health services.				
Indicator 5.1: Target countries with 80% of pneumonias in children < 5 yrs old with appropriate case management by health care system.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO Reports	Baseline	1996	-----	tbd
Comments: Appropriate means according to current norms. Baseline data not available; to be collected, for FY 96. Target countries are the 9 LAC Child Survival Emphasis countries.		1997	5 (55%)	
		1998	6 (66%)	
		1999	7 (77%)	
		2000	8 (88%)	
	Target	2001	9 (100%)	
Indicator 5.2: Target countries with 80% of diarrheas in children < 5 yrs old treated with ORT and continued feeding in health care system and at home.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO Reports	Baseline	1992	-----	0
Comments: Target countries are the 9 LAC Child Survival Emphasis countries.		1996	4 (44%)	
		1997	5 (55%)	
		1998	6 (66%)	
		1999	7 (77%)	
		2000	8 (88%)	
Target	2001	9 (100%)		

(Country Name) LAC Regional				
STRATEGIC OBJECTIVE NO. 5 More effective delivery of selected health services.				
Indicator 5.3: Target countries with less than 10% missed opportunities to vaccinate.				
Unit: Number/proportion				
Source: PAHO Reports	Baseline	1994	-----	1 (11%)
Comments: Refinement of indicator from POD Target countries are the 9 LAC Child Survival Emphasis countries.		1996	3 (33%)	
		1997	5 (55%)	
		1998	6 (66%)	
		1999	7 (77%)	
		2000	8 (88%)	
	Target	2001	9 (100%)	
(Country Name) LAC Regional				
Indicator: 5.4: Target countries with 95% of service delivery points offering family planning methods.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO reports, DHS, CDC Surveys, INOPAL Situation Analyses	Baseline	(Year)	-----	N/A
Comments: Target countries are the 13 LAC PHN program countries.		1996	3 (23%)	
		1997	5 (38%)	
		1998	7 (54%)	
		1999	9 (69%)	

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STRATEGIC OBJECTIVE NO. 5 More effective delivery of selected health services.				
Indicator 5.5: Target countries with 50% of sexually transmitted diseases (not HIV-AIDS) treated appropriately by health care system.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO	Baseline		-----	N/A
Comments: Baseline data will be gathered at beginning of program.  *these are estimates; need baseline to make better estimates. Also depends on identifying target countries.		1996		
		1997	(25%)	
		1998	(35%)	
		1999	(50%)	
		2000	(75%)	
	Target	2001	(100%)	
Indicator 5.6: Target countries with 75% service delivery points stocked with condoms and HIV/AIDS education materials.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO Reports, DHS, CDC Surveys, INOPAL Situation Analyses	Baseline			N/A
Comments: See Indicator 5.5, above.		1996	50%	
		1997	65%	
		1998	75%	
		1999	85%	
		2000	95%	
	Target	2001	100%	

TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 5.1: Improved country norms, standards, plans and policies developed and used.				
Indicator: 5.1.1: Target countries with approved policies, norms/standards, and plans for each selected service.				
Unit: Number/percent		Year	Planned	Actual
Source: PAHO Reports	Baseline	(Year)		N/A
Comments: Baseline to be developed as part of project development. Target countries will be specific to each health service selected; e.g., for child survival services, target is 9 LAC child survival emphasis countries; for family planning, target countries are the 13 in LAC where USAID has family planning programs.		1996		
		1997		
		1998		
		1999		
		2000		
	Target	2001		
Indicator 5.1.2: Target countries where program resources are allocated and spent as planned for each selected service.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO Reports	Baseline	(Year)	_____	N/A
Comments: Baseline to be developed as part of project development. Target countries will be specific to each health service selected; e.g., for child survival services, target is 9 LAC child survival emphasis countries; for family planning, target countries are the 13 in LAC where USAID has family planning programs.		1997		
		1998		
		1999		
		2000		
	Target	2001	100%	

TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

TABLE 1: BAHAMAS SELECTIVE PERFORMANCE

(Country Name)	LAC Regional			
PROGRAM OUTCOME NO. 5.2: Improved targeting of resources to neediest populations.				
Indicator: 5.2.1: Target countries with plans for each selected service that allocate resources in proportion to the magnitude and severity of need.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO Reports	Baseline	(Year)	-----	N/A
Comments: Some baseline available for vaccination programs; rest would be gathered as part of program development. Target countries will be specific to each health service selected; e.g., for child survival services, target is 9 LAC child survival emphasis countries; for family planning, target countries are the 13 in LAC where USAID has family planning programs.		1994		
		1995		
		1996		
		1997		
		1998		
	Target	1999		
Indicator 5.2.2: Target countries with resources used where planned for each selected service.				
Unit: Number/proportion		Year	Planned	Actual
Source: PAHO Reports	Baseline	(Year)	-----	N/A
Comments: See Indicator 5.2.1.		1996		
		1997		
		1998		
		1999		
		2000		
	Target	2001		

TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 5.3: Increased National Resources supporting selected health services.				
Indicator: 5.3.1: Target countries with increased percentage and amount of recurrent costs for each selected service paid with national funds.				
Unit: Number/percent		Year	Planned	Actual
Source: PAHO	Baseline	(Year)	-----	N/A
Comments: See indicator 5.2.1.		1996		
		1997		
		1998		
		1999		
		2000		
	Target	2001	100%	
Indicator 5.3.2: Target countries with increased diversity of local institutions represented on national committees for each selected service.				
Unit: Number/percent		Year	Planned	Actual
Source: PAHO Reports	Baseline	(Year)	-----	N/A
Comments: See Indicator 5.2.1.		1994		
		1995		
		1996		
		1997		
		1998		
	Target	1999		

**Strategic Objective No. 6: Implementation of country health-reform plans/programs that increase equitable access to basic health services.**

**A. Rationale**

Plans/programs for health reforms are called for in the Summit of the Americas' Plan of Action and regional mechanisms are specifically mentioned in the Summit plan: PAHO and the Inter-American Network on Health Financing and Economics<sup>2</sup>.

Virtually all LAC countries are already undertaking some level of health sector reform and a number of countries are also developing a basic package of services. To support and make these processes more effective, the country plans and basic packages need to be supported by regional mechanisms that inform and enable policy makers and health care systems to make reforms. Country-level assistance is also important and the regional mechanisms will facilitate that, but exclusive reliance on country-level assistance would be inefficient and would fail to foster the regional level of comparative analysis, networking and information-sharing anticipated by the Summit.

The increases in equitable access to basic health services towards which these reform efforts are oriented follows the essential thrust of the LAC development assistance strategy, both in poverty reduction and health status improvement.

**B. Problem Areas, Programmatic Approaches, and Program Outcomes**

The Summit of the Americas Plan of Action, calls for governments to "endorse a basic package of clinical, preventive and public health services. . .[and to] develop or update country action plans or programs to achieve child, maternal and reproductive health goals and ensure universal, non-discriminatory access to basic services . . .". The Plan of Action initiative on basic health services goes on to illustrate some of the reforms such as alternative means of financing, managing and providing services, community based-services for the poor and indigenous groups, quality assurance, and greater use of NGOs. It also identifies regional mechanisms that will be important in implementing the initiative and describes an interagency process to support this effort.

This Summit initiative was included because despite impressive gains in the Latin America and Caribbean region,

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<sup>2</sup>This is an existing Pan American Health Organization/World Bank-sponsored network of donors and national institutions (mostly social securities) which focus on health finance research.

preventable child and maternal mortality remains excessive, particularly among the rural poor and indigenous groups. Universal access to basic health services continues to be elusive. In order to ensure access to services that are effective, efficient, equitable and sustainable, most countries have initiated or are considering health care reforms. At the same time, national expenditures on health services are exploding and even as countries undertake reform efforts, there remain gaps in knowledge and experience of how best to do so. Furthermore, the act of implementing health reforms, such as decentralization, will not automatically ensure improved access for the most disadvantaged groups. This aspect needs to be factored in as the reforms are developed.

To help achieve the Summit objectives, USAID will support regional mechanisms as implementing agencies (depending upon the operational roles as defined through the interagency process) to achieve the program outcome: the development and approval of country health-reform programs/plans that increase equitable access to basic health services. USAID assistance during the planning period would therefore most likely be in the form of a grant(s) to the implementing agencies(s) and technical assistance from Global Bureau projects to support Network functions and other aspects of country-plan development under the proposed new Equitable Access to Basic Health Services Project. Network activities are planned to include dissemination of and training in the basics of health reform; analysis of current status and prioritization of country needs for change; provision of technical assistance to countries to develop reform efforts; and collation, analysis and dissemination of current information on health reform.

### C. Performance Indicators and Targets

In order to measure the achievement of the strategic objective, the following performance indicators have been selected:

- Number/proportion of USAID target countries in which:
- reforms implemented as planned;
  - elements selected for basic health packages implemented as planned; and,
  - increased use of implementing agency resources to support decisions and resolve problems in health management, finance, and program implementation.

The following indicators have been selected for the single program outcome for this strategic objective (development and approval of country health-reform plans/programs that increase equitable access to basic health services):



Number/proportion of USAID target countries with:

- approved reform plans/programs, and,
- approved basic health packages.

At both levels, LAC will target the thirteen countries in the region that have active USAID population, health and nutrition programs. It is anticipated that the countries all will have approved plans and packages by FY 1997. Increased use of the Network is expected to be seen in at least seven countries by 1997 and in all by 1999. The packages and reforms are expected to be under implementation as planned in at least eleven target countries every year from 1998 to 2000.

#### D. Key Assumptions

Accomplishment of this Strategic Objective is predicated on the following key assumptions:

- the countries that signed the Summit Plan of Action, particularly those with USAID PHN programs, are committed to implementing the health initiative and the donors and international agencies that have been involved in developing the initiative--PAHO, the IDB, the World Bank, UNICEF and UNFPA--will support its implementation;
- the ongoing interagency initiative development process will result in a clear definition of roles for the regional mechanisms/organizations that will be supporting the country-level initiatives and those organizations will have the support, capacity and will to carry out their mandates; and,
- with regional support, country-level technical resources will be adequate to carry out the reforms; sufficient in-country financial resources will be mobilized; and the political commitment to support health reforms will endure.

#### E. Consultations Used

In addition to sharing the draft strategic objective tree with the Global Bureau's PHN Center and soliciting their comments, LAC briefed the G/PHN Office Director for Health and Nutrition on this strategic objective and has been working with his staff to ensure coordinated development of the objective including joint participation in the interagency steering committee on Summit follow-up. Through this committee, LAC is coordinating its plans initially with those of the IDB, World Bank and PAHO. Subsequently, other donors and the LAC countries will also be brought into the process. The revised strategic objective tree was also circulated for comments to the PPC Deputy Assistant Administrator for PHN.

#### F. Monitoring and Evaluating Performance

The implementing agency will provide the information needed to track use of its services. It is planned that a regional monitoring system will be established to track the implementation of country reform plans and the other strategic objective and program outcome indicators.

TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"

LAC Regional

Agency Goal: Stabilizing World Population and Protecting Human Health

STRATEGIC OBJECTIVE NO. 6: Implementation of country health-reform plans/programs that increase equitable access to basic health services.

PROGRAM OUTCOME NO. 6.1: Development and approval of country health-reform plans/programs that increase equitable access to basic health services.

PROJECTS (Number/title)

598-0831 Equitable Access to Basic Health Services

936- Health Financing and Sustainability II

1.2.2

TABLE 2: STRATEGIC OBJECTIVE PERFORMANCE

(Country Name)		LAC Regional		
STRATEGIC OBJECTIVE NO. 6 Implementation of country health-reform plans/programs that increase equitable access to basic health services.				
Indicator 6.1: Target countries in which reforms implemented as planned				
Unit: Number/proportion			Planned	Actual
Source: Implementing Agency reports	Baseline	(Year)	-----	0
Comments: The 13 target LAC countries have an active USAID population, health and nutrition program.		1995	0	
		1996	4 (31%)	
		1997	8 (62%)	
		1998	11 (85%)	
		1999	11 (85%)	
	Target	2000	11 (85%)	
Indicator: 6.2: Target countries in which elements selected for basic health packages implemented as planned.				
Unit: Number/proportion		Year	Planned	Actual
Source: Implementing Agency reports	Baseline	(Year)	-----	
The 13 target LAC countries have an active USAID population, health and nutrition program.		1995	0	
		1996	4 (31%)	
		1997	8 (62%)	
		1998	11 (85%)	
		1999	11 (85%)	
	Target	2000	11 (85%)	

(Country Name)		LAC Regional		
STRATEGIC OBJECTIVE NO. 6				
Indicator 6.3: Target countries in which there is increased use of implementing Agency resources to support decisions and resolve problems in health management, finance and program implementation.				
Unit: Number/proportion				
Source: Implementing Agency reports	Baseline	(Year)	-----	0
Comments: The 13 target LAC countries have an active USAID population, health and nutrition program.		1995	0	
		1996	3 (23%)	
		1997	7 (54%)	
		1998	10 (77%)	
		1999	13 (100%)	
	Target	2000	13 (100%)	

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(Country Name)		LAC Regional		
PROGRAM OUTCOME NO. 6.1 Development and approval of country health-reform plans/programs that increase equitable access to basic health services. .				
Indicator: 6.1.1: Target countries with approved reform plans/programs.				
Unit: Number/proportion		Year	Planned	Actual
Source: Implementing Agency reports	Baseline	(Year)	-----	0
Comments: The 13 target LAC countries have an active USAID population, health and nutrition program.		1995	0	
		1996	7 (54%)	
		1997	13 (100%)	
		1998	13 (100%)	
		1999	13 (100%)	
	Target	2000	13 (100%)	
Indicator 6.1.2: Target countries with approved basic health packages.				
Unit: Number/proportion		Year	Planned	Actual
Source: Implementing Agency reports	Baseline	(Year)	-----	0
Comments: The 13 target LAC countries have an active USAID population, health and nutrition program.		1995	0	
		1996	7 (54%)	
		1997	13 (100%)	
		1998	13 (100%)	
		1999	13 (100%)	
	Target	2000	13 (100%)	

## GOAL: BUILDING DEMOCRACY

In the past decade, the Western Hemisphere has witnessed tremendous progress toward representative government through free and fair elections and the separation of civil and military roles in governance. Fair elections, however, are still only single steps in the long march of democratization. Much remains to be done throughout the hemisphere in "deepening" democracy, that is, in improving the quality and sustainability of democratic processes and institutions. The collective approach of the LAC countries to peace, democracy and economic prosperity--most recently expressed through the Summit of the Americas--makes horizontal integration of democracy equally essential. The challenges over the next 5-7 years will be to consolidate the democratic gains in individual countries while building capacity within the region to ensure continued progress in a post-assistance milieu.

Obstacles to more stable democracies in the region include uneven progress in human rights, the fragility of institutions to sustain electoral processes, failure to ensure demand for justice and democracy through civic participation, and deeply ingrained corruption. To ensure efficiency and maximize results in overcoming these obstacles, LAC/RSD's Democracy and Human Rights Team (LAC/RSD-DHR) will focus its efforts on objectives that: (1) reflect overall Agency policy and the LAC Bureau strategy in democracy and governance; (2) complement Mission and Global Bureau activities by being fundamentally regional in their scope and execution; and (3) are within the manageable interest of LAC/RSD.

LAC/RSD has selected four areas or sub-sectors of democracy in which to concentrate (reflected in Strategic Objectives 7-10 below): improved human rights performance; free and fair elections; public sector accountability and responsiveness; and enhanced civic participation in public affairs. These were chosen for several reasons: (a) they represent major problems commonly found throughout the region; (b) they can be best addressed in the long-term by regional institutions; (c) together, they address the democratization initiatives identified by regional participants in the 1994 Summit of the Americas; and (d) they are within the manageable interest of the Team.

There are, of course, problem areas and programmatic approaches that will not be pursued for organizational or efficiency reasons. For example, labor policy and relations can be best addressed by specialized assistance from the Global Bureau. Civil-military issues are frequently best dealt with at the country level under the political guidance of the Country Team. Administration of Justice--by far, one of the most important components of democratization in any country--already receives significant bilateral program investment. LAC/RSD's

comparative advantage in promoting the Agency's democracy goals lies in encouraging the horizontal integration within the region itself to build and sustain democracy, in particular through regional institutions.

**Monitoring and Evaluation:** Regarding the monitoring and evaluating process, LAC is at different stages in the process of identifying realistic and useful indicators and establishing systems to collect performance and impact data, depending on the SO and the availability and comparability of data. LAC/RSD-DHR has collaborated with our LAC colleagues, grantees and contractors to share views on appropriate objectives, outcomes and indicators. This process of articulating mutual objectives and measuring progress is, in itself, a key part of the institutional development we are promoting in LAC organizations.

Because of the nature of LAC/RSD programs, we must rely predominantly on host governments, grantees and contractors to collect and report data. Indicators will necessarily range from regional- to country-level depending upon the nature of the objective and level of regional integration inherent in each democracy subsector. We will remain actively engaged in the process of refining our programs as performance information becomes available.

In cases where we have sought to use higher-level indicators, such as ranking of individual political rights and civil liberties, we will rely on an accepted standard, such as the annual "Freedom in the World" survey by Freedom House. Use of this type of measurement tool will also make it easier for the Agency as a whole to report on progress toward democratization.



**Strategic Objective No. 7: Improved effectiveness of organizations to promote and protect human rights.**

**A. Rationale**

The notion that the United States has a responsibility to speak out on behalf of internationally recognized human rights and standards thereof was formalized in the 1970s. The U.S. Congress also wrote into law formal requirements that U.S. foreign and trade policy take into account countries' human rights and worker rights performance and that country reports be submitted to Congress annually. The current Administration has made human rights into one of its foreign policy cornerstones. The recent Summit of the Americas' Declaration of Principles and Plan of Action underscore a regional commitment to the protection and promotion of human rights. As part of its commitment, the USG aims to assist other nations of the hemisphere protect and promote human rights by sharing U.S. experience and expertise in this area.

Agency and LAC Bureau objectives emphasize support to regional organizations that protect human rights, including the rights of workers, indigenous peoples, minorities and women. Those objectives and Summit resolutions advocate such measures as strengthening administrative, electoral and legislative processes; promoting policies to ensure that women enjoy full legal and civil rights protection; and promoting other fundamental freedoms. Public awareness of human rights and improved capability of indigenous human rights monitoring groups are critical if these objectives are to be advanced. Significantly, multinational discussion and action within a framework of respect and tolerance for conflicting ideological positions will help promote human rights within individual countries.

**B. Problem Areas, Programmatic Approaches, and Program Outcomes**

A wide range of problems and unevenness of progress characterize human rights in Latin America and the Caribbean. People who by right are born free and with supposed dignity too often suffer the cruelties of authorities who deprive them of their rights in order to perpetuate their own power. Laws are often unclear, unjust and frequently complicated, which confuse individuals and limit their freedom. Although there is the potential to deepen democracy, violations of civil and political rights occur, especially with indigenous, refugees and displaced populations, such as in Guatemala, El Salvador and Peru. The Andean countries, in particular, face problems of terrorism and illegal drugs, while human rights organizations in the Southern Cone and Brazil need help moving from recognition and

denunciation of human rights to real action and tangible positive measures. There is a polarity between violence and reconciliation, marked by progress or backsliding, which is most notable in countries such as Colombia, Haiti, El Salvador, Guatemala and Peru. Needing special consideration are vulnerable and historically disadvantaged groups such as indigenous peoples, women, youth, displaced populations and some NGOs. And El Salvador and Haiti are illustrative examples of the tedious, difficult and expensive tasks of demobilization and re-integration of former military and para-military personnel into productive civilian life.

The media and journalists suffer from special problems. In Central America, for instance, journalists have exploited both the victims and the accused in photospreads and news stories. Journalists were not skilled in investigative techniques, do not know how to cover crime scenes or know means of interviewing witnesses, nor do they know how to follow cases through the criminal justice systems.

Targeted training, education, public awareness and technical and advisory assistance are among the principal programmatic approaches utilized to advance human rights. The approaches are intended to assist both specific individuals and groups as well as governmental and private institutions. The human rights of minors and infants, repatriated and displaced persons, and refugees; protection of women and children against acts of violence; economic rights, greater freedom of indigenous peoples, and worker rights; are strengthened. Target groups include judges and legislators, journalists, women's and children's rights groups, foreign affairs ministries, education ministries, and police and security forces (the latter using non-USAID funds). The LAC Regional Program is addressing these issues through various grantees' efforts to: (a) raise the level of mutual acceptance of democratic values; (b) provide leadership training and administrative strengthening to specific groups within and across distinct (professional or sector) environments; and (c) provide solid backgrounds in international human rights to key individuals responsible for promoting them.

Specific program outcomes include: (1) increased capacity of selected human rights groups; (2) increased capacity of executive branches, judicial systems and legislatures to promote and protect human rights; and, (3) greater ability of the media to heighten awareness of human rights and investigate abuses.

#### C. Performance Indicators and Targets

The following performance indicators will be used to measure the accomplishments at the strategic objective level:

-- ranking of individual political rights and civil liberties

- by country; and
- public perception of the quality of media reporting of human rights issues.

Performance indicators selected to measure Program Outcome 1 (increased capacity of selected human rights groups) include:

- the number of organizations provided technical assistance and advisory services by the InterAmerican Institute of Human Rights (IIDH); and
- the percentage of participants (disaggregated by gender) in IIDH training who report an improved understanding of human rights issues following training.

To measure accomplishments under Program Outcome 2 (increased capacity of executive branches, judicial systems and legislatures to promote and protect human rights), the indicators selected are:

- the number of countries that have or are in the process of establishing human rights ombudsmen offices; and
- the number of judges receiving human rights training.

The performance indicators selected to measure Program Outcome 3 (greater ability of media to heighten awareness of human rights and investigate abuses) include:

- increased emphasis on human rights in media training workshops; and
- number of journalists trained in coverage of human rights (by gender).

#### D. Key Assumptions

Key assumptions for achievement of this strategic objective include the following:

- more training to human rights groups will improve their capacity to monitor, investigate and prepare solid evidence of human rights abuses which will enable effective prosecution;
- continuing education and outreach will have a "multiplier effect;"
- governments and their citizens make genuine efforts to abide by regional and international human rights conventions and agreements;
- the 34 heads of state who signed the Summit of the Americas' Plan of Action take effective implementation measures;
- the political will exists within countries to strengthen justice systems, promote equality and enhance pluralism;
- other donors and international organizations will collaborate with USAID on human rights programs;

- freedom of the press will be respected; and,
- countries remained committed to democratic rule.

#### E. Consultations Used

The strategic objective, program outcomes and indicators were developed in close collaboration with the Inter-American Institute of Human Rights (IIDH), a non-political regional NGO dedicated to improving understanding and respect for human rights hemisphere-wide. With LAC's encouragement, IIDH, in turn, is embarking on a process similar to USAID's, whereby program objectives and means of measuring progress will be vetted within the organization and with the many LAC officials, NGOs and academics with which it works. This commitment on the part of IIDH is critical to ensuring that objectives are clear and consistent data are collected and reported.

The LAC Bureau regularly meets with, reviews the documents of, and participates in seminars and fora with personnel from human rights organizations such as Freedom House, Human Rights Watch, Amnesty International, the Washington Office for Latin America, and the Departments of State and Justice. There are telegrams and other correspondence from and to field missions, as well as active participation in Inter-Agency Working (IWG) meetings. Each of the above provides information toward a more complete profile of human rights in the region or any particular country.

The draft strategic objective, rationale and indicators have been circulated to and discussed with personnel in other regional bureaus and the Global Bureau's Democracy and Governance (G/DG) Center to learn from them and to explain our thinking and specific actions. Where possible, LAC/RSD-DHR has sought to use indicators that are expected to be recommended/adopted Agency-wide to facilitate the Agency's performance and reporting capability. We expect to continue such coordination during the years this strategy is implemented. Lastly, consultations were made with selected other donor organizations with which the LAC Bureau will have a likely growing relationship in the next decade.

TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"

LAC Regional
Agency Goal: Promoting Democracy, Human Rights and Good Governance
STRATEGIC OBJECTIVE NO. 7 Improved Effectiveness of Organizations to Promote and Protect Human Rights

PROGRAM OUTCOME NO. 7.1 Increased capacity of selected human rights groups.	PROGRAM OUTCOME NO. 7.2 Increased capacity of executive branches, judicial systems and legislatures to promote and protect human rights.	PROGRAM OUTCOME NO. 7.3 Greater ability of media to heighten awareness of human rights and investigate abuses.
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Projects (Number\Title)	Projects (Number\Title)	Projects (Number\Title)
598-0591 IIDH/CAPEL	598-0591 IIDH/CAPEL	598-0802 Latin American Journalism Project
598-0813 Civic Education		

STRATEGIC OBJECTIVE NO. 7 Improved Effectiveness of Organizations to Promote and Protect Human Rights

Indicator: 7.1 Country ranking of political rights and civil liberties.

Unit: Country		Year	Planned	Actual
Source: Freedom House Survey	Baseline			
<p>Comments: This indicator measures human rights performance at a level higher than that which is achievable with USAID resources. Nonetheless, we are including it at this juncture because it is more telling (and more useful) than any lower-level indicator proposed.</p> <p>Baseline and yearly progress information to be compiled in the near future.</p>				

7.2 Public perception of quality of media reporting of human rights issues.

Unit: Scale of 1 to 5		1993	1998	2003
Source: FIU, IIDH	Baseline			
<p>Comments: This indicator may be modified if necessary. Methods and institutions of data collections are in the process of being conformed.</p>	Guatemala			
	Costa Rica			
	El Salvador			
	Honduras			
	Panama			

STRATEGIC OBJECTIVE NO. 7 Improved Effectiveness of Organizations to Promote and Protect Human Rights

PROGRAM OUTCOME NO. 7.1 Increased effectiveness of selected human rights groups.

Indicator: 7.1.1: No. of organizations provided TA and advisory services by IIDH.

Unit: Number		Year	Planned	Actual
Source: IIDH	Baseline	1995	16	
Comments		1996	25	
		1997	38	
		1998	50	
	Target			

PROGRAM OUTCOME NO. 7.1. Increased effectiveness of selected human rights groups.

Indicator: 7.1.2 Percentage of participants (by gender) in IIDH training who report improved understanding of human rights issues following training.

Unit: Percentage of participants		Year	M	F	M	F
Source: IIDH	Baseline	1993	90	90	90	90
Comments: Based on follow-up on surveys in the yearly Inter-Disciplinary Human Rights Course, disaggregated by male/female. Courses are made up of 100-115 people; approximately half of are women.		1994	90	90	100	100
		1995	90	90		
		1996	90	90		
		1997	90	90		
	Target		100	100		



**Strategic Objective No. 8: Improved capacity to conduct free and fair elections.**

**A. Rationale**

One starting point for democracy and democratic government is the right of citizens, through free and fair elections, to choose their own local and national governments. Even though elections are far from the sum total of democracy, they have both symbolic and substantive significance. This strategic objective supports the American Convention on Human Rights, which states in Article 23 that "Every citizen shall enjoy the following rights and opportunities:

- to take part in the conduct of public affairs, directly or through freely chosen representatives;
- to vote and to be elected in genuine periodic elections, which shall be by universal and equal suffrage and by secret ballot that guarantees the free expression of the will of the voters; and
- to have access, under general conditions of equality, to the public services or his country."

Tainted or poorly implemented elections are problems identified in both the Agency and LAC Bureau strategies. The quick delivery of electoral results is frequently equated with the veracity and objectivity of those results. If political parties are highly engaged in electoral process, they and their members will more readily accept electoral mandates. The peaceful transfer of power from one regime to another becomes a critical measure of democratization because it represents the institutionalization of the will of the electorate.

The LAC development assistance strategy is consistent with a need articulated in 1982 by the region's foreign ministers that technical assistance was needed to promote and improve electoral systems in the region. USAID assisted with the creation of an institution that works to strengthen electoral processes and institutions through its role as secretariat for three regional electoral organizations. We continue to support this need by supporting LAC efforts to evaluate, design and implement technical assistance programs and election technical assistance missions at an executive level and encourage communication, regional relationships and bilateral cooperation between electoral organizations. This support reflects the demand as well as the need for a regional center that provides non-partisan, objective knowledge and support for democratic values in a changing world order.

## B. Problem Areas, Programmatic Approaches, and Program Outcomes

Key problem areas include the need to promote the conduct of periodic, valid, democratic elections by assisting LAC nations to develop sound electoral laws and processes, and to help NGOs and governmental entities educate the citizenry about its rights and responsibilities. A limited number of regional institutions help exchange information, carry out training, share experiences and communicate on a multi-national basis. Other problem areas are:

1. delays in obtaining and disseminating elections results;
2. unequal participation of political parties;
3. proper procedures for identification cards, registration, poll-watching, counting and reporting results;
4. true, incisive, high-quality discussions of important issues are too infrequent, as in the United States;
5. unfair distribution of media space and time;
6. difficulties in voting in secret, and undue ties between how one votes or is perceived to vote with jobs, credit and schooling opportunities for children;
7. proportional representation;
8. disqualification and unfair representation of certain groups (indigenous peoples, women, rural workers) and/or geographical regions; and,
9. political identities are often tied more to charismatic personalities than a political party's philosophy, record of action and history of positive service or lack thereof.

Programmatic approaches embrace elements such as technical assistance, training, baseline surveys and applied research, voter and civic education, and information to electoral administrators and other participants in the electoral process. The Center for Electoral Assistance and Promotion (CAPEL) is the principal regional organization carrying out this work. Other LAC regional grantees implement activities in the area of elections, electoral processes and citizen participation in local and national elections.

Program outcomes encompass: (1) strengthened national and regional electoral bodies; and (2) increased multi-party participation in electoral processes. Technical assistance includes motivational, civic education and instructional campaigns, partly to encourage voter registration and participation. Non-partisan civic education campaigns are meant to inspire a high level of confidence and credibility, fortify democratic values and create respect for democratic systems. Instructional campaigns explain the mechanics of voting and elections and are valuable in helping people understand the voting process. They also increase voter turnout. If done well, these campaigns are culturally and socially sensitive to reach both literate and illiterate voters in LAC countries.

### C. Performance Indicators and Targets

In order to measure the achievement of the strategic objective, the following performance indicators have been selected:

- the percentage of national elections requiring international electoral observers; and,
- the percentage of elections where results are delivered within 48 hours of poll closing.

It is hoped that fewer international observers and monitoring teams will be necessary if national electoral bodies become more capable of administering elections, and systems and safeguards to handle possible cases of fraud, manipulation or honest mistakes are in place. The second strategic objective indicator is a type of international norm, assuages the public and public opinion, connotes a modicum of efficiency, and is symbolically important.

The indicators to measure Program Outcome 1 (strengthened national and regional electoral bodies) include:

- the number of requests for technical assistance made to and through the Protocols of Tikal and Quito and the Inter-American Union; and,
- public confidence in election tribunal in selected countries.

The electoral organizations of Central America and the Caribbean (Protocol of Tikal) and South America (Protocol of Quito) are linked by the Inter-American Union and includes Mexico, the U.S. and Canada. The heads of electoral bodies and their governments signed agreements to provide mutual assistance and to work cooperatively to build professionally competent and politically independent electoral organizations in their countries. They reinforce hemispheric commitment to free and fair elections. They serve as vehicles for sharing resources, information and experience and improve electoral and political systems so as to be more responsive to their constituents. CAPEL is the executive secretariat among these organizations.

Funding allotments and increases thereof from national governments for regional cooperation and collaboration are one good indication of faith in these regional bodies. Experience in many sectors tells us that governments value multinational efforts toward which they devote their own precious monies.

The following indicators were selected for Program Outcome 2 (increased multi-party participation in electoral processes):

- at least two independent political parties participating in the elections; and
- results accepted by political parties.

These indicators measure, basically, participation of political parties and the strong feeling that healthy pluralism is nearly always a positive sign.

#### D. Key Assumptions

The following key assumptions are critical to the successful accomplishment of this strategic objective:

- governments will remain committed to free and fair elections and popular participation in the political process; and,
- electoral bodies will continue to meet their commitments for hemisphere-wide cooperation and support.

#### E. Consultations Used

In developing the strategic objective, program outcomes and indicators, extensive consultations were held with IIDH and CAPEL. As they are LAC's primary development partners for implementing this strategic objective, they will continue to be heavily involved in the implementation and impact assessment. Consultations with G/DG and PPC also took place in developing the objective.

TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"

LAC Regional
Agency Goal: Promoting Democracy, Human Rights And Good Governance
STRATEGIC OBJECTIVE NO. 8 Improved capacity to conduct free and fair elections

PROGRAM OUTCOME NO. 8.1 Strengthened national and regional electoral bodies.	PROGRAM OUTCOME NO. 8.2 Increased multi- party participation in electoral processes.
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Projects (Number\Title)	Projects (Number\Title)
598-0591 IIDH/CAPEL	598-0591 IIDH/CAPEL

**STRATEGIC OBJECTIVE NO. 8: Improved capacity to conduct free and fair elections**

**Indicator: 8.1 Percent of elections where results are delivered within 48 hours of poll closings.**

Unit: Percentage		Year	Planned	Actual
Source: IIDH/CAPEL	Baseline			
Comments: Indicator assumes that the faster the turn-around time to report results, the greater the technical capacity of the electoral commission and the more credible the election because of reduced time available to tamper (or be perceived as tampering) with ballots.				
	Target			

**Indicator: 8.2 Peaceful transfer of power and/or peaceful acceptance of electoral results.**

Unit: Country				
Source: IIDH/CAPEL	Baseline			
Comments: This indicator provides information on the higher level goal of "free and fair elections." Again, RSD/DHR believes it is useful to include this to measure progress in Latin America toward consolidation of democracy--the peaceful transfer of power from one administration to another.				
	Target			

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**STRATEGIC OBJECTIVE NO. 8: Improved capacity to conduct free and fair elections**

**PROGRAM OUTCOME NO. 8.1 Strengthened national and regional electoral bodies.**

**Indicator: 8.1.1: Number of requests for technical assistance made to and through the Protocols of Tikal and Quito and the Inter-American Union (associations of electoral commissions).**

Unit: Number of requests		Year	Planned	Actual
Source: CAPEL	Baseline	1995	5	
Comments: The purpose of this indicator is to show efforts/commitment made on the part of LAC countries to improve electoral administration through regional cooperation.  The number may be dependent on the number of elections to be held in a given year or subsequent year.		1996	8	
		1997	11	
	Target	1997		

**PROGRAM OUTCOME NO. 8. 1: Strengthened national and regional electoral bodies.**

**Indicator: 8.1.2 Public confidence with election tribunals in selected countries.**

Unit: Percent of persons surveyed				
Source: CAPEL	Baseline	1995		
Comments: Selected countries only.		1996		
		1997		
	Target			

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PROGRAM OUTCOME NO. 8.2 Increased multi-party participation in electoral processes.				
Indicator: 8.2.1 At least two independent political parties participating in the elections.				
Unit: Number of countries		Year	Planned	Actual
Source: CAPEL	Baseline	1995	3	
Comments: Performance measures are based on number of elections held in a given year. Target is based on number of countries in the region that consistently have multi-party participation in the electoral process by 2010. For counting purposes, the target number includes Cuba, Mexico, Venezuela, Brazil; AID-assisted countries with the exception of Jamaica and Belize.		1996	2	
		1997	2	
	Target	2010	21	
Indicator: 8.2.2 Election results accepted by major political parties.				
Unit: Number of countries				
Source: CAPEL	Baseline	1995	3	
Comments: This indicator also could be used to measure progress toward meeting the SO of improved capacity to conduct free and fair elections. By inference, acceptance of the results by major political parties indicates multi-party participation and engagement in the process.		1996	2	
		1997	2	
	Target	2010	21	
See above for explanation of discrepancy between yearly indicators and target				

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**Strategic Objective No. 9: Public sector accountability and responsiveness increased.**

**A. Rationale**

Weaknesses in administrative, financial and control systems undermine development prospects, as scarce resources are lost to deficient management. The on-going LAC Regional Accountability and Financial Management Improvement Project (RFMIP) directly supports and is the principal USG contribution to the Summit of the Americas' "No to Corruption" initiative. The project and Summit initiative include regional and national commitments by governments to establish transparency and accountability by ensuring proper oversight of government functions and by establishing conflict-of-interest standards for public employees.

Local governance, decentralization and municipal development are of utmost priority among LAC nations. To support these initiatives, the LAC Bureau's obligations to local governance and municipal development activities during each of the last three years have more than tripled, as a percentage of overall democracy spending. The sharp upward trend continues. Decentralizing government can be one of the best means of promoting citizen participation and efficiency. The Bureau's two regional municipal development projects--"LOGROS" in Central America and the Local Governance and Municipal Development Project in South America--are producing notable, salient results. The Agency's new Grassroots/Local Government Initiative further emphasizes the significance of this democracy sub-sector.

The proposed new Legislative Networking Project, due to begin in FY 1996, will support, on a regional basis, bilateral efforts to promote good governance and increase legislators' responsiveness to the citizenry. This new activity addresses the Summit initiative on enhancing the OAS's capacity to promote democracy by supporting legislature-to-legislature linkages, which may include ties to U.S. state legislatures.

This strategic objective also supports the Agency principle of integration by inviting intersectoral work, such as strengthening public entities for carrying out education policy analysis and reform. Another example is identified opportunities for immediate collaboration between the journalism and anti-corruption/accountability sub-sectors.

**B. Problem Areas, Programmatic Approaches, and Program Outcomes**

Key barriers in the accountability and anti-corruption areas are that a lack of adequate integrated financial management systems and controls hinders the democratic process by:

1. permitting governments to withhold necessary financial information from citizens;
2. enhancing the proliferation of fraud and corruption in the public sector;
3. interrupting the proper balance of power among the three branches of government (if the executive is not properly reporting financial status to the legislative, the latter cannot determine if the budget is adequate, for example); and,
4. decreasing citizens' confidence in how elected officials manage scarce tax resources.

Another example of a key problem is the pre-control function of LAC countries' supreme audit institutions. The independence of the controllers general needs to be maximized because, at present, the (chief) auditor audits himself in most countries.

Problems abound in the area of local governance and municipal development; a few are mentioned here. National constitutions and new laws, such as the landmark Popular Participation Law in Bolivia, throughout the hemisphere are giving much increased authority and responsibility to municipalities, yet municipalities are largely unprepared to carry out these newly enlarged mandates. Old and new employees must be trained in the new philosophies and operating procedures. Municipal codes must be re-written and improved. Open discussion and decision-making should become the norm, but few people know how to proceed and how local governments can reach out to their citizenries in positive ways. Where municipal associations exist, they are generally weak and unable to fulfill adequately their tasks of sharing best practices and methods, training personnel, providing advisory services, and representing local people and governments to other organizations. There is also the need to promote regional cooperation among national municipal associations.

In the legislative strengthening sub-sector, key problems cover a wide gamut, including:

1. traditional dominance in Latin American and Caribbean societies of the executive, whether civilian or military, and lack of counterbalance to the traditionally strong executive;
2. legislatures have not functioned in a representative fashion, often acting as a "rubber stamp" for the executive;
3. legislators do not have access to information or technical expertise to make informed public policy;
4. limited capability to review, analyze and approve national budgets submitted by the executive branch (for example, insufficient training and experience in budget analysis to ask informed questions and make

- decisions about budget allocations);
5. lack of experience initiating legislation (drafting bills) on behalf of constituent needs; and,
  6. no history of representation and, as a result, limited ability to respond, particularly given scarce human and financial resources.

Programmatic approaches in the area of accountability and anti-corruption activities include: (1) the promotion and dissemination of the "Integrated Financial Management System" (IFMS) concept throughout the LAC region; (2) the systematic adaptation and implementation of the IFMS; (3) the strengthening of government auditing; and (4) the overall raising of awareness of the debilitating nature of fraud and corruption. Regional and national NGOs are expected to take an increasingly active role in identifying and counteracting anti-fraud and -corruption activities.

Training of selected personnel, strengthening and/or creation of municipal associations, targeted technical assistance for new policy frameworks and practical procedures, experiments in engendering citizen involvement, and selected efforts in decentralizing fiscal control and social services are the principal programmatic approaches in local governance and municipal development. For the legislative area, there will be regional and sub-regional seminars, conferences and regional information-sharing among legislative staff and legislators. These approaches are expected to result in stronger, more publically-responsive legislatures.

The two program outcomes for this strategic objective are (1) increased decentralization in the region, and (2) strengthened legislatures.

#### C. Performance Indicators and Targets

In order to measure the achievement of the strategic objective, the following performance indicators have been selected:

- the number of multilateral donor-supported accountability projects,
- the number of countries adopting IFMS, and,
- the percentage of citizens who have confidence in government.

It is anticipated that especially the Inter-American Development Bank and the World Bank will exhibit marked interest and action in the accountability and anti-corruption area, going beyond the initial collaborative project with USAID just underway in Nicaragua. This obviously helps supplements USAID's declining financial resources. Citizens' confidence in their local and

national governments will be measured by modest but well-constructed attitudinal surveys; the LAC Bureau will also coordinate with related USIA-generated surveys in the region.

The indicators selected for Program Outcome 1 (increased decentralization in the region) are:

- the number of municipalities having meetings (general or budget) open to the public,
- the number of municipal associations judged stronger, and,
- the number of municipalities making reforms in municipal codes to enhance local government fiscal and administrative autonomy.

The indicators for Program Outcome 2 (strengthened legislatures) are:

- the number of legislative budget analysis offices established,
- the number of legislative reference services established and/or strengthened, and,
- the number of cooperative relationships established between LAC legislatures and U.S. state legislatures.

#### D. Key Assumptions

Important assumptions for the accountability and anti-corruption area are:

- political will on the part of key government officials to adopt and implement proper financial management and control reforms,
- international donors will require recipient governments to adhere to accepted accounting and auditing standards,
- judicial systems will investigate and prosecute corrupt acts, and,
- public sector employees will assume greater responsibility for their actions.

Numerous assumptions, of which only a few are mentioned, underpin the LAC Bureau's work in local governance and municipal development. Centralization of authority and power has been a continuing obstacle to the creation and maintenance of fully democratic and free institutions. The participation of many individuals and community groups can be enlisted more easily if debate and decision-making are vibrant at, or brought down to, the municipal level. An assumption is that the more that local people--especially the youth of Latin America and the Caribbean--participate in public affairs, the greater the degree of freedom and democracy those communities and nations will enjoy. By having budgets decided at the local level, there can be greater transparency and accountability.

Key assumptions for the LAC Bureau's work in the legislative area are that:

- citizens will continue to have faith in the democratic and legislative processes,
- citizens will grow to demand more responsiveness from their legislative representatives, and
- national assembly presidents have the political will for and commitment to modernization and its attendant processes.

#### E. Consultations Used

Consultations have been and will continue to be numerous and mutually enriching. For the accountability and anti-corruption area, principal consultations have taken place with the Inter-American Accounting Association, regional and national NGOs, the controllers general and ministries of finance of LAC countries, USAID Missions throughout the region, commercial accounting and financial management firms, and the Inter-American Development Bank (IDB) and the World Bank. In the local governance and municipal development sub-sector, the IDB, World Bank and the Organization of American States are collaborative partners. These three organizations joined the LAC Bureau in sponsoring and carrying out the highly successful, three-day InterAmerican Mayors Conference in mid-November 1994. Valuable sessions have been held with and lessons learned from the Inter-American Foundation, the Peace Corps and a growing number of Latin and U.S. NGOs, and we have drawn upon the considerable expertise and experience in U.S. colleges and universities.

Consultations in the legislative area include the National Conference for State Legislatures, the State University of New York and USAID Missions in the region.

In all three areas, consultations have been held and information shared with other regional bureaus, the G/DG Center and PPC.

**TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"**

LAC Regional
Agency Goal: Promoting Democracy, Human Rights and Good Governance
STRATEGIC OBJECTIVE NO. 9 Public sector accountability and responsiveness increased
PROJECT: 9.0 598-0800 Regional Financial Management Improvement Project

PROGRAM OUTCOME NO. 9.1 Increased decentralization in the region	PROGRAM OUTCOME NO. 9.2 Strengthened legislatures	
Projects (Number\Title)	Projects (Number\Title)	
598-0799 Local/Municipal Government	598-0828 Legislative Linkages	
598-0813 Civic Education		

**STRATEGIC OBJECTIVE NO. 9: Public sector accountability and responsiveness increased**

**Indicator: 9.1 Number of multilateral donor-supported accountability projects.**

Unit: No. of projects		Year	Planned	Actual
Source:	Baseline	1995		
Comments:		1996		
		1997		
	Target			

**Indicator: 9.2 Number of countries adopting international financial management systems.**

Unit: No. of countries				
Source:	Baseline	1995		
Comments:		1996		
		1997		
	Target			

576

Indicator: 9.3 Percent of citizens confidence in government increases.

Unit: Percentage

Source:

Comments:

	Year	Planned	Actual
Baseline	1995		
	1996		
	1997		
Target			

4.7



STRATEGIC OBJECTIVE NO. 9: Public sector accountability and responsiveness increased				
PROGRAM OUTCOME NO. 9.1 Increased decentralization in the region.				
Indicator: 9.1.1 Number of municipalities having meetings (general or budget) open to the public.				
Unit:		Year	Planned	Actual
Source:	Baseline	1995	12	
Comments:		1996	20	
		1997	32	
	Target			
PROGRAM OUTCOME NO. 9.1. Increased decentralization in the region.				
Indicator: 9.1.2 Number of municipal associations judged stronger.				
Unit: Number				
Source:	Baseline	1995	4	
Comments:		1996	6	
		1997	7	
	Target			

PROGRAM OUTCOME NO. 9.1, Increased decentralization in the region.

Indicator: 9.1.3 Number of municipalities making reforms in municipal codes to enhance local government fiscal and administrative autonomy.

Unit:		Year	Planned	Actual
Source:	Baseline	1995	10	
Comments:		1996	14	
		1997	25	
	Target			

47 is

**PROGRAM OUTCOME NO. 9.2 Strengthened legislatures.**

**Indicator: 9.2.1 Number of legislative budget analysis offices established.**

Unit: No. of countries		Year	Planned	Actual
Source: Grantee reports; cables	Baseline	1996	1	
Comments:		1997	5	
		1998	6	
		1999	7	
		2000	8	
	Target			

**Indicator: 9.2.2 Number of legislative reference services established.**

Unit: No. of countires				
Source: Grantee reports; cables	Baseline	1996	0	
Comments:		1997	2	
		1998	4	
		1999	5	
		2000	7	
	Target			

Indicator: 9.2.3 Number of cooperative relationships established between U.S. State Legislatures and Latin American legislatures.

Unit: Number of requests received and answered		Year	Planned	Actual
Source: Grantee reports	Baseline	1997	2	
Comments: Number of TA/training/exchanges conducted under grant		1998	5	
		1999	7	
		2000	10	
		2001	12	
	Target			

6-20-97

**Strategic Objective No. 10: Increased citizen participation in public affairs.**

**A. Rationale**

The exercise of individual and group responsibilities is as important as the demand for citizens' rights. Civil society organizations in LAC countries can gain much by sharing information, problems and successes regionally, and this sharing is facilitated by the availability of new technologies and electronic means of communication. Some of the most important local bodies are voluntary associations, which can serve as a countervailing power to the influence of central government.

Agency and LAC Bureau strategies emphasize the significance of NGO strengthening and public access to alternative opinions and information sources. LAC regional projects in civic education/citizen participation and journalism are central to this strategic objective. Multiple free opinion and information sources are necessary in a democracy as they provide the bases for informed choices on public policy issues by citizens and public leaders.

**B. Problem Areas, Programmatic Approaches, and Program Outcomes**

Independent groups in Latin American civil society have historically been suppressed by authoritarian rule. Autonomous unions and civic organizations were considered a threat to the political and social control of an authoritarian state. One of the most striking developments in the LAC region in the wake of the democratic revival has been the burgeoning of these autonomous groups. These groups typically evolve to address specific problems or promote values, attitudes, skills and practices on which democratic society depends. Among the problems they tackle are: encouraging citizen participation in the electoral process; educating citizens about their rights and responsibilities in a democratic society; creating demand for public transparency; and serving as watchdogs over the conduct of government.

Citizens and public officials alike cannot make informed decisions or develop informed opinions without the availability of multiple, reliable sources of information. The availability of independent, reliable information has been hampered by the inconsistent news reporting, lack of independence of journalists from government structures, and a lack of technical expertise in investigating topics such as corrupt practices, human rights, women's and children's rights, and public affairs, among others.

This strategic objective addresses the Summit initiative entitled "Invigorating Society/Community Participation", and

directly buttresses two other Summit Initiatives: "Strengthening the Role of Women in Society" and "Promoting and Protecting Human Rights".

The LAC Bureau will further support the civil society initiative by amending its Regional Civic Education Project in FY 1995, principally to fortify the tenets of regionality and networking. Coordination will be especially close with the Inter-American Development Bank, which has recently heightened its work in the civil society area, the Inter-American Foundation and the OAS.

Intersectoral linkages also will be highlighted. For instance, opportunities exist for increasing public participation in environmental planning and management, community involvement in the management of parks and protected areas (as identified in LAC/RSD-E's program outcomes), and the Summit's "Partnership for Biodiversity" Initiative.

Strengthening the independent media will be done through the Latin America Journalism Project, which is in the process of establishing a self-sustaining journalism training center in Panama, funded entirely by media owners in Central America, to continue research and training activities for journalists once the project ends in March 1997.

Program outcomes for this strategic objective include: (1) regional network(s) of civil society organizations in/among LAC countries established, and (2) reliable, alternative information and opinion sources in the region increases.

#### C. Performance Indicators and Targets

In order to measure the achievement of the strategic objective, the following performance indicators have been selected:

- the number of civil society organizations that actively participate in formulating legislation;
- the degree to which citizens' groups and NGOs influence executive branch policies; and,
- the percent of citizens who perceive they can participate in public debate.

Program Outcome 1 (regional network[s] of civil society organizations in/among LAC countries established) has the following indicators:

- the number of informational exchanges conducted;
- the number of technical exchanges among NGOs or CSOs (Civil Society Organizations); and
- extent of funds, in-kind donations and personnel time

devoted to regional networking by regional NGOs.

The following indicators have been selected to measure performance under Program Outcome 2 (reliable, alternative information and opinion sources in the region increased):

- public confidence in the media in targeted countries;
- number of news organizations in target countries; and,
- degree of state censorship of media in target countries.

#### D. Key Assumptions

This strategic objective rests on the following key assumptions:

- governments in the region that signed the Summit Plan of Action are committed to the democratization process, as evidenced by continued observance of freedom of the press and freedom of association;
- review will be undertaken of the regulatory framework for NGOs to improve their operations and improve their ability to receive funds (for example, permit tax-deductible contributions to NGOs); and,
- steps will be taken to improve the participation of traditionally marginalized groups, including women, youth, indigenous people and the poor.

#### E. Consultations Used

The draft strategic objectives, rationale and indicators have been circulated to and discussed with personnel in other regional bureaus and G/DG. In addition, discussions have been held with the Partners of the Americas, the Regional Civic Education Project grantee, concerning our interest in expanding our collaboration with Partners to promote regionality and collaborative networks. Many consultations have been held with LAC CSOs and NGOs throughout the region by LAC/RSD-DHR and mission staff to develop activities that support this Strategic Objective.

**TABLE 1: STRATEGIC OBJECTIVE PROGRAM "TREE"**

<b>LAC Regional</b>
<b>Agency Goal: Promoting Democracy, Human Rights And Good Governance</b>
<b>STRATEGIC OBJECTIVE NO. 10 Increased citizen participation in public affairs</b>

<b>PROGRAM OUTCOME</b> <b>NO. 10.1 Regional</b> <b>network(s) of civil society</b> <b>organizations in/among</b> <b>LAC countries established.</b>	<b>PROGRAM OUTCOME</b> <b>NO. 10.2 Reliable,</b> <b>alternative information</b> <b>and opinion sources in the</b> <b>region increased.</b>
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<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>
598-0813 Civic Education	598-0802 Latin American Journalism Project
598-0591 IIDH/CAPEL	

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**STRATEGIC OBJECTIVE NO. 10 Increased citizen participation in public affairs**

**Indicator: 10.1** Number of civil society organizations that actively participate in formulating legislation.

Unit:		Year	Planned	Actual
Source:	Baseline			
Comments:				
	Target			

**Indicator: 10.2** Degree in which citizens groups and NGOs influence executive branch policies.

Unit:				
Source:	Baseline			
Comments:				
	Target			

5.6

Indicator: 10.3 Percent of citizens who perceive they can participate in public debate.				
Unit:		Year	Planned	Actual
Source:	Baseline			
Comments: Selected countries.				
	Target			

**STRATEGIC OBJECTIVE NO. 10 Increased citizen participation in public affairs**

**PROGRAM OUTCOME NO. 10.1 Regional network(s) of civil society organizations in/among LAC countries established.**

**Indicator: 10.1.1 Number of informational exchanges conducted.**

Unit: Number		Year	Planned	Actual
Source: Grantee reports	Baseline	1995	4	
Comments:		1996	9	
		1997	15	
		1998	21	
		1999	27	
	Target	2000	30	

**Indicator: 10.1.2 Number of technical exchanges among NGOs or CSOs.**

Unit: Number				
Source: Grantee reports	Baseline	1995	3	
Comments:		1996	7	
		1997	12	
		1998	18	
		1999	26	
	Target	2000	32	

506

Indicator: 10.1.3 Extent of funds, in-kind donations and personnel time devoted to regional networking by regional NGOs.

Unit:		Year	Planned	Actual
Source: Percent of total expenditures	Baseline	1996	3%	
Comments:		1997	4%	
		1998	5%	
	Target			

PROGRAM OUTCOME NO. 10.2 Reliable, alternative information and opinion sources in the region increased.

Indicator: 10.2.1 Public confidence in the media in targeted countries.

Unit: Percent of respondents		Year	Planned	Actual
Source: FIU-LAJP surveys	Baseline	1995	38%	
Comments:		1996	45%	
		1997	50%	
	Target			

Indicator: 10.2.2 Number of news organizations in target countries.

Unit: Number of new organizations				
Source: FIU-LAJP	Baseline	1995	3	
Comments: Reflects increase in freedom of the press improved financial viability of news organizations		1996	5	
		1997	8	
	Target			

503

Indicator: 10.2.3 Degree of state censorship of media in target countries.				
Unit: Number of countries		Year	Planned	Actual
Source: FIU-LAJP/Press reports	Baseline	1995	8	
Comments:		1996	6	
		1997	5	
	Target			

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May 17, 1995

## B. ACTION PLAN

### I. Strategy Overview

Over the past several months, the LAC Bureau's Regional Sustainability Development Office (LAC/RSD) has been developing the LAC Regional Program Strategic Plan described in previous sections of this document. The strategic plan addresses specific issues important to sustainable development as described in the Agency's "Strategies for Sustainable Development" and the LAC Bureau's "Strategic Role of U.S. Assistance in the Americas", and contributes significantly to specific U.S. foreign policy objectives in the region. The plan supports specific sustainable development objectives for the regional program which follow up on commitments made by the USG and other countries of the hemisphere at the Summit of the Americas, and addresses selected transnational problems.

Support is proposed under the strategic plan for LAC regional institutions in instances where they have a mandate, the legitimacy and/or the unique capability to carry out sustainable development objectives targeted under the regional program, or when strengthening regional institutions is the most viable and cost-effective approach to sustainable development. The LAC Regional program marshals technical and other resources which the LAC Bureau draws upon to define, assess and redirect its development assistance agenda in the region. Finally, the regional program strategic plan includes Congressionally-mandated initiatives which are most effectively managed by the Agency at the regional level.

The LAC Regional program strategic plan will concentrate on achieving ten strategic objectives. Some of the ten are new, while others represent a modification of objectives under the previous period's strategic plan for the regional program. The ten objectives reflect what the LAC Regional program will focus on with its modest resources over the next five years, and what strategies, approaches and program activities most effectively complement what the LAC countries have financed on their own behalf; and what is financed through LAC bilateral assistance managed by USAID Missions; through USAID Global Bureau assistance; and under the assistance programs of other donors. While this Action Plan period, FY 1996-97, represents the initial two-year implementation period under the proposed strategic plan, progress towards accomplishing the ten objectives actually began, in many instances, in FY 1994-95, under the previous strategy for the regional program.

#### A. Encouraging Broad-based Economic Growth

Recent regional trends have shown a mix of rising economic growth coupled with persisting poverty at the country level. Per

capita GDP--which fell by 8 percent during the 1980s--has grown by 6 percent in the first four years of the 1990s. Prospects for economic integration were heightened at the December 1994 Summit of the Americas with a call by 34 heads of state in the hemisphere for a Free Trade Area of the Americas (FTAA) by 2005, and by other set goals such as an "Information Infrastructure for the Americas" and "environmentally-sustainable growth". If it comes to pass, the FTAA will be the world's largest free trade area, encompassing 34 countries with a current population of 750 million and a combined GDP of \$8 trillion. The LAC Regional program will contribute to the resolution of key issues impeding environmentally sound and equitable free trade in the hemisphere.

Environmental regulations can either blunt free trade, if inappropriately applied, or enhance free trade, particularly when associated with economic incentives created through pollution-prevention technologies. Lessons learned in the U.S. on how to increase free trade through environmental regulation highlight the importance of demonstrating economic gain from prevention, reuse and recycling of pollutants during the industrial process.

The gap between rich and poor is worse in LAC than in any other region of the world. In 1980, 41 percent of the people of Latin America and the Caribbean were living in poverty. By 1990, 46 percent--196 million people--were estimated as living in poverty. In addition, Mexico's devaluation of the peso and consequent financial crisis illustrates some of the serious adjustment problems which many countries may have as continuing privatization and tariff liberalization efforts open these economies to competitive pressures from international markets.

The LAC Regional program has targeted the special needs of low income groups such as small farmers, small businessmen and women, many of whom are from indigenous communities, as well as systemic constraints such as the inequitable distribution of land in the region, and difficulties in obtaining current product pricing information and competitive credit.

As the countries of the LAC region shift to a new model of economic development based on opening national economies to international competition, foreign investment and technological innovation, the steady integration of these countries into the world economy has placed education reform very high on the agenda of most governments. Throughout the hemisphere, citizens are pressuring governments (and governments are requiring more from citizens) to develop educational systems that train students for jobs in an internationally competitive economy, foster technological change, expand social opportunities and prepare people for democratic citizenship. New strategies and policies for educational development and reconstruction are being demanded, and are objectively needed. The LAC Regional program will assist in this education reform effort.



The LAC Regional program has historically made important contributions to help LAC countries effectively participate in an integrated hemispheric economy. Over the years, substantial assistance was provided to field missions to undertake analytical studies and evaluations, ranging from the issues of regional economic integration to intellectual property rights and to tariff liberalization. The LAC Regional program supported efforts by other USG agencies, such as the Commerce Department's Trade Information Center, to promote trade and investment in the region, particularly in agribusiness and tourism. It also helped promote the growth of non-traditional agricultural exports (NTAEs) in the region, and NTAEs nearly quadrupled from a 1979-81 average of \$125 million to a 1993 total of \$418 million. Finally, many of the leaders in the LAC region have been educated and trained in the United States or elsewhere in the region and in their own countries with support from LAC Regional training programs. In countries where USAID has focused its support, access to education has been greatly enhanced and innovative programs have increased the quality of education.

#### B. Protecting the Environment

The LAC region contains approximately 40 percent of the world's biodiversity and half of the world's remaining tropical forests. Unfortunately, the region has among the world's highest deforestation rates (about 11 million hectares are lost each year), and unwise and unsustainable human encroachments on other critical habitats (wetlands, grasslands, mangroves and coral reefs) threaten LAC biological diversity in ways that will reduce food security and broad-based economic development. Political disturbances in Colombia, southern Mexico and Guatemala impede local park management. The war between Ecuador and Peru led to the withdrawal of government protection from one of Ecuador's national parks. Local government financing of protected areas often is a problem, especially when there are economic uncertainties (for example, in Mexico).

The CONCAUSA agreement among government leaders of Central America, Panama and the U.S. was a very favorable development which emphasized the maintenance of a "biotic corridor" through the biodiversity-rich tropical forests of Central America. Key biodiversity countries, such as Colombia, Bolivia, Mexico and Panama, are developing trust funds to provide sustainable funding of park protection. The LAC Regional program has contributed significantly to improve the management of protected areas in 27 sites throughout the LAC region. Four sites have graduated from the program, evidence that these parks no longer need funding from the Parks in Peril project to keep them viable. They now have a sustainable future utilizing country resources and are not merely "paper parks." The LAC Regional program will continue its focus on improved protection of selected LAC parks and

protected areas representing a variety of ecosystems essential for human survival.

#### C. Stabilizing Population Growth and Protecting Human Health

The LAC Regional program has in the recent past focused on protecting human health. LAC Regional support to vaccination programs has contributed to substantial progress. Transmission of polio was declared to be eradicated from the Americas in September 1994; measles cases in the Americas have decreased from over 200,000 in 1990 to only 2,471 in 1994 (a 99 percent drop); and vaccination coverage in the region with all antigens remains high, at just under 75% for 1994. Following on the success with vaccination programs, the LAC Regional program will focus on more effective delivery of other essential health services important to USAID's overall population/health strategy (including acute respiratory infection control, diarrheal disease control, HIV/AIDS prevention, family planning and continuing attention to making vaccination programs sustainable) in addition to continued attention to vaccination programs, especially the measles elimination initiative.

The Summit of the Americas' Plan of Action included an initiative to increase equitable access to basic health services, in which the heads of state endorsed two critical concepts: equitable access to a basic package of health services, and reforms in management and financing to increase such access. Based on this commitment, an Inter-Agency Task Force for implementation of this health initiative has been formed with USAID as an active participant. The LAC Regional program will directly support implementation of this Summit initiative.

#### D. Building Democracy

Considerable progress in promoting democracy has been made in the LAC region and the LAC Regional program has played a significant role. In general terms, no one can deny that respect for human rights in the LAC region has grown: members of the military have gone on trial for human rights violations in Honduras; the Human Rights Ombudsman was chosen by consensus to fill the office of president in Guatemala; the current President of Honduras served as a judge on the Inter-American Court of Human Rights (ICHR); and the Vice President of Bolivia has been an active contributor to programs seeking to promote political and civil rights of indigenous people.

The Inter-American Institute of Human Rights (IIDH), a LAC Regional program grantee, has played a decisive role in this change in people's attitudes toward human rights in the region. Where the term "human rights" was once considered by some to be the catch phrase of subversives, it is now voiced regularly in

governmental declarations, as at the Summit of the Americas. IIDH has contributed directly to the creation and consolidation of governmental human rights offices in Guatemala, El Salvador, Costa Rica, Colombia, Bolivia, Honduras and Paraguay. Its electoral assistance arm, CAPEL, has contributed to an increase in voter registration of more than 50 percent in Nicaragua (1990); Bolivia (1991); and Panama (1994). CAPEL's achievement in strengthening electoral tribunals in the region is well-recognized. An IIDH course on the rights of displaced persons led to the creation of an active hemisphere-wide network that has already presented draft international instruments on this subject. Agreements with the Ministers of Education throughout Central America have led to the adoption of human rights curricula in the public schools. The former Executive Director of IIDH won the United Nations Human Rights Prize--given only once every five years and the equivalent of the Nobel Prize in this field--as much for her institution's excellent, unstinting work as for her outstanding leadership.

Regarding accountability, integrated financial management and anti-corruption activities (a field that particularly requires a long-term perspective), notable successes occurred. This sub-sector acquired even more significance and immediacy after the heads of state at the Summit ratified the "No to Corruption" initiative. In Bolivia, passage of the System of Government Administration and Control Law (SAFCO) provides a framework for ensuring fiscal responsibility and decentralized financial management. USAID and the World Bank are working with the Bolivian Government to restructure the public sector and reorient financial management standards to obviate incentives for corruption. This year, with the assistance of SAFCO, 20 Bolivians were arrested and convicted of illegal activities. Similar efforts are under way in Panama. Five major country assessments were conducted under the LAC Regional accountability project, and some 300 local officials were trained in audit and accounting. Donor coordination--principally with the Inter-American Development Bank and the World Bank--became closer and more fruitful, to the extent that the first multi-donor integrated financial management project is under way in Nicaragua, spurred and guided by the LAC Regional project.

Some 2,600 Central American journalists have been trained under the LAC Regional journalism project. A public opinion survey conducted by IIDH/CAPEL last year revealed that citizens in Panama have more confidence in the media than any institution other than the Church, and that public confidence in the media exists in other Central American countries. The Inter-American Journalism Training Center was inaugurated in May 1995 in Panama. Brought to being as a result of efforts under the regional project, it is being funded and managed by Latin Americans. At the project's inception, journalists participated in training at the risk of losing their jobs; now, seminars are so valued by

media owners in the region that they are conducted on a cost-shared basis. Within the next two years, it is expected that the entire cost of journalism education and training will be privately funded.

Municipal development and local governance continued to be of utmost importance and an area replete with success stories, despite very modest regional funding for this sub-sector. USAID led the preparation for the highly successful Inter-American Mayors Conference, a three-day conclave which drew 70 top municipal officials from the LAC region. The LAC Bureau brought in as co-sponsors the OAS, World Bank and IDB. The four donors are preparing for another municipal conference, which will include legislators, in early 1996. Municipal associations in Central America and South America are assisting cities of various sizes to adopt more uniform and quality municipal codes, to train employees well, and to develop effective means for generating and sharing fiscal and administrative autonomy. Bilateral and modest regional funds and technical assistance are helping Bolivia implement its far-reaching, revolutionary Popular Participation Program. The latest LAC Regional boost is to help train the Bolivian Electoral Council to conduct the December 1995 municipal elections, the first time in that country's history that its 305 municipalities (many of which are new) will elect mayors and municipal councils by direct vote.

Education for democracy and civil society successes occurred despite the long time horizon normally associated with this sub-sector. The LAC Regional Civic Education program has proven to be immensely popular, and has created and enlivened civic groups throughout the hemisphere. With few funds, volunteer efforts have undertaken such tasks as establishing a vibrant Women's Political Leadership Training Center in Jamaica, bringing some 15 national civil society NGOs in Brazil together for the first time to coordinate their efforts, developing civic education curricula for Honduras' public schools, and creating the initial phase of a hemispheric network by which three tri-lingual quarterly journals and a useful survey or reference book of civic education information and materials have already been produced, distributed and acclaimed.

A strong, independent legislative branch is key to improving public sector accountability and responsiveness. Most legislative modernization efforts are being implemented bilaterally, with plans to initiate a regional activity in FY 1996. The new regional pilot project will provide fora to explore legislative reforms that reach beyond national borders, such as those related to trade, intellectual property rights, refugees and narco-trafficking. On a regional level, a concerted effort has been made to promote the role of women leaders in the legislative process. The presidents of the women's commission of the national congresses addressed the Forum of the Central

American Presidents of the Legislatures, and are in the process of formalizing the Union of Inter-parliamentary Women, and developing a strategy for the Union to focus its organizational and programmatic efforts.

Despite the significant gains, political and economic "facts of life" that affected or may affect progress in democracy and human rights include high unemployment and under-employment in many parts of the region, illegal and unfair practices concerning workers and workers' rights, electoral fraud such as occurred in the Dominican Republic, dislocations caused by civil strife and the production and marketing of illegal drugs, and cumbersome judicial systems. Haitians are struggling to produce even the most rudimentary institutional and behavioral bases for democracy, respect for human rights, jobs creation and elemental equity. National constitutions, laws and an apparent widespread push from citizenries are producing efforts to transfer more relative authority, funds and control from national-level to local governments. This phenomenon is felt throughout the continent, but particularly in South America. Reluctant military and civil bureaucracies, corruption, weak economic growth and the lack of credit--especially to the poor, women, indigenous peoples and youth--are other maladies that affect democracy, human rights and governance.

**Managing for Results:** LAC/RSD takes very seriously and is committed to managing for results. The LAC Regional strategy has undergone significant revision as a result of the Agency reorganization, Summit of the Americas commitments, and a thorough review and analysis of appropriate objectives to be pursued under a regional program. As such, the strategic framework (objectives, program outcomes, indicators and targets, and measurement systems) has been substantially modified and while work remains to be done before the framework can be considered final, regional program strategies have come a long way. The performance measurement system to be used for monitoring and reporting on progress and impact, and which will ultimately be used to assist in making strategic and programmatic decisions, is in varying stages of definition and development, depending on the newness of the individual strategic objective or the degree of modification made to previous objectives. LAC/RSD anticipates that a performance measurement and data collection system (that conforms to the April 1, 1995 benchmark) should be in place within six months. Strategic Objective Teams will be formed to work further on indicators and the measurement system. Teams (either at the strategic objective level or by some other arrangement) will ultimately be responsible for performance under the LAC Regional strategic objectives, however, additional thinking is necessary before such an arrangement is implemented.

Nonetheless, there are some specific examples where the regional program is already using performance data to make decisions regarding program direction. Most LAC Regional activities include funding for project evaluations to assess performance. Evaluation findings are an essential consideration in determining the future direction of a program. For example, an evaluation of the Parks in Peril Program resulted in The Nature Conservancy's (the implementing organization) plan to focus more on critical issues to make the parks financially and managerially sustainable. A significant portion of future USAID funding for this program will be used to support sustainability efforts. In the Latin American Journalism Project, mid-term evaluation findings as well as participant evaluations, advisory board suggestions and project management feedback, resulted in a decision not to move forward with plans for a regional association of journalists because it was deemed to be premature. Instead, a newsletter and informal means of promoting contact and collaboration in the region are being used. With LAC/RSD-DHR's encouragement, seminars are developed on important development topics and the project is building on earlier efforts to collaborate with other regional activities.

Another important example of performance information being used to guide program actions can be seen in the immunization program. Using regionally-developed standards, and with the support of sub-regional advisors, each country monitors coverage of each birth cohort (all the children born the same year) with all vaccines by district (municipio), and is able to detect areas with problems and focus technical assistance and resources on the lower-performing districts. Neonatal tetanus has been dramatically reduced in the Americas by identifying the districts with the worst problems, and focussing regional and national resources on them. Polio was eradicated from the Americas using a well-defined surveillance methodology and intensive local vaccination campaigns to contain suspected cases. Measles has been substantially reduced by national programs to vaccinate all persons 9 months to 14 years old. Surveillance of suspected cases, monitoring of the subsequent build-up of susceptible individuals and conducting follow-up campaigns when appropriate is the strategy for elimination of measles from the Americas.

Later this fiscal year, LAC/RSD-BBEG is planning to implement an INTERNET discussion list to obtain up-to-date information from both public and private sectors on electronic commerce, trade efficiency and economic development. This electronic information system will also be used to carry out informal "real-time" reality checks of existing or planned activities in these areas.

In the democracy programs, several other examples exist where performance information is used to guide program direction

and activities. The inability of major donors to provide qualified technical expertise to identify, design and implement projects and programs that promote and improve overall host country accountability and transparency has meant that our LAC Regional efforts must still focus on this aspect. The World Bank is beginning to demonstrate the ability and willingness to conduct country-level financial management site assessments. This may indicate that our modestly-funded regional accountability project can ease out of country assessments and concentrate more on training and helping NGOs become anti-corruption advocates. Experience indicates that it might be wise to advocate the creation of a regional integrated financial management center, as the need apparently exists for a reservoir of expertise where governments and NGOs can receive help (once the LAC Regional project ends) and which can be accomplished without elaborate cost or physical infrastructure.

Feedback and program information on LAC Regional education for democracy programs indicate the need for materials and mechanisms that help information exchange and sharing best practices and techniques. Thus, with LAC assistance, Partners for the Americas has produced a quarterly bulletin and a survey or catalogue of quality civic education materials, courses, videos and publications. The process of gathering information for these materials and for developing effective channels to distribute them has led to formation of a regional network, an unanticipated outcome of the program.

IIDH regularly adjusts the content of its seminars and inter-disciplinary course curriculum to incorporate the evolution in human rights thinking and applications, such as the changing vision of internationally recognized human rights (for example, economic and social rights), and civil-military relations and respect for human rights. CAPEL has developed an integrated strategy that provides an efficient and rapid response to the needs of the LAC countries. Along with a strengthened technical program, CAPEL also is reaching a broad constituency of political party leaders on all technical aspects of election law and conducts civic education campaigns to bolster citizen participation in the electoral process.

Finally, the principles of managing for results have been applied to the design of an amendment to the civic education project, which will involve five Latin NGOs. Previously conceived as a consortium, it became apparent that problems were arising among the five NGOs that were very similar to those experienced previously with a failed project that had tried to force a consortium management arrangement. Lessons learned from the failed project were applied in developing the amendment. Instead of a consortium, the 5 Latin NGOs were "married" with a large U.S.-based NGO which is considered "objective" and which has well-developed management and financial accounting systems.

This innovation will improve project management and accountability, reduce overhead costs and reduce management burdens for USAID.

**Participation:** While participation in USAID activities by the ultimate beneficiaries and under-represented segments of society is more often possible through Mission bilateral activities than through a regional program, there are numerous examples where LAC regional activities promote and result in participation and greater access to economic and social benefits. Far more than half of the leaders and NGO members trained under the civic education program have been women. This program also has a considerable emphasis on youth, both in-school and out-of-school, and is considered a model in inclusiveness and participation. Much of the program and training therein is concerned with access to influence public decision-making and civic power-sharing, thus there is a marked multiplier effect.

Following on an extensive research project on Latin American indigenous populations, the IIDH is coordinating with regional indigenous entities, the International Commission for Human Rights and other organizations to develop a comprehensive analysis of such topics as social organization and location of indigenous communities, languages spoken, socio-economic indicators, and national constitutional and civil guarantees provided to them. IIDH is also documenting the success of the regional human rights normative framework to protect and assist refugees and displaced persons, developing recommendations to guarantee their protection. Following a 1991 seminar on the disabled and human rights, a network was established that is planning similar courses in Nicaragua, Uruguay and Paraguay. CAPEL's civic education and voter education campaigns have played major roles in encouraging citizens to register to vote, and then actually to vote.

The regional journalism project, which focuses on both print and broadcast media, is key to citizen participation in the democratic process because it works to provide citizens with reliable, alternative information and opinion sources. Reliable and multiple sources of business reports, news and current events allow citizens to make informed decisions, engage in constructive, informed dialogue, and participate more fully in their communities, countries and the world at large.

Under the Parks in Peril Program, community outreach activities, including environmental education, are active at almost all sites and are being improved to involve more women. Activities to improve land tenure systems for indigenous peoples are occurring at three sites.

Finally, the LAC Regional program has supported improvements in vaccination program service delivery for almost a decade. By



its nature (caretakers must bring infants for vaccination), it is a participatory program. Achievement of the same or higher vaccination coverage levels of the birth cohorts of children each year represents a high level of participation by the families of the LAC region.

**Other Donors:** The objectives of the LAC Regional program are closely coordinated with a host of other donors. Given the hemispheric scope of the free trade initiative, other major donors are pursuing broad objectives complementary to USAID objectives. Therefore, the LAC Bureau is coordinating the design and implementation of program activities with them as appropriate. For example, in the area of trade accession, the Organization of American States (OAS, through its Special Commission on Trade) and the Inter-American Development Bank (IDB) are working cooperatively to conduct a region-wide study on harmonizing hemispheric tariff regulations. Another example is in the area of "trade efficiency", where the UNCTAD sponsors both training and technical assistance in expanding computerized trade facilitation systems such as the Trade Point Network, and the World Bank is sponsoring country assessments to help Less Developed Countries develop national electronic data interchange plans.

In the area of trade-induced adjustments, agricultural research and development financing and programming are major issues, and the IDB is taking the lead in the design of a \$200 million endowment fund. While other donors are less involved with FTAA-related programs improving environmental practices and labor/management relations, they are addressing issues of equitable and sustainable growth in open market expansion. In particular, USAID is coordinating with the IDB and the World Bank in the area of land privatization and access by small producers and businesses.

The IDB is also involved in educational policy dialogue in the region and is amplifying the impact of our limited funding. A \$170,000 LAC Regional grant to the Inter-American Dialogue enabled that organization to attract \$2 million from the IDB for fostering education policy reform.

LAC Regional funding for protection of parks and protected areas is complemented by funds from other bilateral (for example, from Germany) and multilateral sources, especially the Global Environment Facility, because it supports local NGOs. The program also leverages funds from both governments (for example, from Japan and Denmark) and foundations (for example, the MacArthur and Mellon Foundations). Contacts have also been made within the IDB to explore using Multilateral Investment Fund resources to promote private sector development in buffer zones surrounding protected areas.

As part of the current LAC Regional health and population program, USAID participates actively with other donors in two regional Interagency Coordinating Committees (ICCs). The Children's Summit ICC, where general approaches are agreed upon and information shared about Agency programs, promotes collaboration and reduces duplication. The ICC for the Regional Expanded Program on Immunizations deals specifically with the LAC Regional Accelerated Immunization Project and other donors' contributions to that program either directly through PAHO or through country programs. There are parallel committees at the country level in most countries of the Americas; USAID mission personnel participate where there are PHN programs. USAID's very active participation on the Steering Committee for follow-up to the Summit health initiative is leading to coordinated inputs for the immediate activity, the Special Meeting in September 1995, and for the Health Management and Financing Network which is expected to follow.

Collaborative relationships with other donors in promoting democracy are abundant. The regional program accountability and anti-corruption program has ignited the World Bank to start its own accountability projects in the hemisphere. A \$14.5 million financial management reform program in Nicaragua involves three major donors (USAID, the IDB and the World Bank) who are joining financial and management resources in a comprehensive effort in achieving accountability and the public's confidence in government. The education for democracy and civil society program benefits from the expertise, publications and methodologies, applied research and incipient international network of the Kettering Foundation. Civil society programs are also coordinated with Inter-American Foundation.

The World Bank and the IDB are other donors working in the sub-sector of local governance and municipal development. In Washington, USAID is a leading voice in this area as a result of efforts over the years through the regional program. LAC Bureau personnel meet with World Bank personnel on their ground-breaking, applied research on local governance effort in Colombia, co-manage the South American Regional Housing and Urban Development Office (RHUDO) project, help develop the Agency's recently initiated New Partnership Initiative, and organize the inter-American mayors' and municipal development working conferences. Effective work in this area and small amounts of funding under the regional program can also leverage other major donor funds to help alleviate the critical housing shortage, especially for the poor and marginalized, in the LAC Region.

Other donors, with the exception of the OAS, are not giving the area of legislative strengthening much emphasis. If the OAS intensifies its work, it could become a major player providing policy direction and funds to the region's legislatures. A planned October 1995 working conference in Bolivia may help the

OAS and other organizations determine whether and how they will become more involved in legislative strengthening. The LAC Bureau is also poised to work with the OAS and other donors in promoting free, fair and highly participatory elections and, for example, is cooperating closely with the UN's Electoral Assistance Division, the Canadian International Development Agency, UNDP and other donors on the upcoming local, parliamentary and presidential elections in Haiti.

**MAJOR ACCOMPLISHMENTS AND PERFORMANCE HIGHLIGHTS  
OF THE LAC Regional PROGRAM<sup>1</sup>**

**SO 1: Resolution of Key Issues Impeding Environmentally Sound  
and Equitable Free Trade in the Hemisphere.**

A review of Mexico's patent system and the related assignment of experts from the U.S. Patent Office brought Mexico's entire backlog of more than 22,000 pending cases up to date.

Technical assistance to Venezuela improved competition and consumer protection policy, and thus made more equitable the gains from trade in that country. Regional program assistance helped the Venezuelan Government improve competition in such industries as paint, beverages and industrial tiles and bricks.

Trade missions and market information provided under the Regional program helped bolster the contribution of the private sector to various countries' economic growth. For example, expanded private trade and investment in tourism and other sectors helped Jamaica's net international reserves reach a positive J\$400 million in 1994, versus a minus J\$830 million in 1984.

Fresh commodity admissibility lists were developed through Regional program assistance that led to the first exports of melons by Nicaragua to the U.S. in ten years.

The Regional program assisted in setting up an APHIS position in Ecuador to facilitate non-traditional agricultural exports (NTAEs) to the U.S.

Technical assistance was provided for inspection and review of hot water dip facilities for exports of mangos from Nicaragua.

Staff from the Ministries of Agriculture in Costa Rica and Guatemala were trained in preclearance inspection of melons and pineapples, which led to a drop in interception levels at U.S. ports.

Regional program assistance contributed to the creation of the semi-autonomous structure of the Deeds Registry, Supreme Court Registry and Land Court in Guyana, allowing for increased private sector investment in export agriculture.

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In many cases, these accomplishments are not attributable solely to the LAC Regional program; however, the LAC Regional program contributed significantly in all cases.

**SO 2: Constraints to access to key factor markets reduced for small business (small entrepreneurs, small agricultural producers and microenterprises).**

Non-traditional agricultural exports nearly quadrupled from a 1979-81 average of \$125 million to a 1993 total of \$418 million, to a large extent as a result of USAID's concentration on expansion of NTAEs through the regional and bilateral assistance programs.

The regional program developed the strategy document, "Making Markets Work for the Rural Poor", which argues strongly for trade liberalization as a centerpiece for LAC poverty alleviation programs.

Regional program assistance allowed USAID to play a lead role in a land tenure conference in Bolivia that led to the reactivation of a World Bank program to create a National Land Institute and to kick off debate on new market-oriented property legislation and its impact on the poor.

The regional program contributed to the conceptualization of an innovative program in El Salvador for increasing the access of the rural poor to product and factor markets.

The regional program contributed to the development of trade information systems for lowering trade-related transaction costs in the Eastern Caribbean, Ecuador and Jamaica.

**SO 3: Improved human resources policies adapted in selected LAC countries.**

The LAC Regional program financed a series of human resource policy issues papers on advocacy, with more than 2,000 copies distributed to key leaders and opinion makers in the region.

The program developed a computer-assisted education policy reform model, "LASER", which has influenced and guided education policy reform dialogue in USAID Missions, Ministries of Education and NGOs in Bolivia, Ecuador, El Salvador, Nicaragua, the Dominican Republic, Haiti and Honduras.

**SO 4: Improved protection of selected LAC parks and protected areas representing a variety of ecosystems.**

Four Parks in Peril sites (Ambora and Noel Kempff in Bolivia, Mbaracayu in Paraguay, and Corcovado in Costa Rica) graduated from the Parks in Peril program, signifying that these sites now have adequate park infrastructure, a strong NGO manager/advocate,

and excellent prospects for long-term financing--they now have a sustainable future and are not merely "paper parks."

As a result of Parks in Peril activities, work by Fundacion Arcoiris with the local communities and Government of Ecuador resulted in the peaceful removal from Podocarpus National Park of several hundred gold miners from the park's core area. For their effort, Fundacion Arcoiris was a 1994 recipient of UN Environmental Programme's Global 500 award.

In Colombia's Cahuinari National Park, a community outreach project helped improve the sustainable use of the world's largest river turtle, the Charapa (Podocnemis expansa). Currently, egg poaching has been vastly reduced, and 80,000 hatchling turtles have been returned to the river.

**SO 5: More effective delivery of selected health services.**

As a result of LAC Regional program assistance joined with the efforts of countries, other donors and regional organizations and NGOs, transmission of polio was declared to be eradicated from the Americas in September 1994.

Measles cases in the Americas have decreased from over 200,000 in 1990 to well under 2,471 in 1994--a 99 percent drop, due to higher coverage of each birth cohort, combined with campaigns to re-vaccinate all children 9 months to 14 years of age.

Vaccination coverage in the region with all antigens remains high, at just under 75% for 1994.

**SO 6: Implementation of country health-reform plans/programs that increase equitable access to basic health services.**

In Paraguay, Bolivia, Honduras, Peru, Ecuador, Nicaragua and Jamaica, technical assistance and training was provided under the regional program to governments in their efforts to decentralize decision-making both in the ministries of health and other public sector facilities in order to facilitate closer coordination and responsiveness of service providers to end users. This resulted in the Paraguayan Government's request for further assistance in the decentralization of health services and restructuring of its management information system.

In Jamaica, technical assistance was provided to address issues related to decentralization of services, cost recovery, cost-containment, the privatization and divestment of ancillary services, management training and increasing cooperation between the private and the public sectors in providing health care services. Hospitals have now improved their ability to recover and retain costs for health services, established private wards,

privatized ancillary services (laundry, catering, other), and improved management training.

**SO 7: Improved effectiveness of organizations to promote and protect human rights.**

As a result of regional program assistance, IIDH contributed directly to the creation and consolidation of governmental human rights offices in Guatemala, El Salvador, Costa Rica, Colombia, Bolivia, Honduras and Paraguay.

An IIDH course on the rights of displaced persons led to the creation of an active hemisphere-wide network that has already presented draft international instruments on this subject.

Agreements with the Ministers of Education throughout Central America have led to the adoption of human rights curricula in the public schools.

**SO 8: Improved capacity to conduct free and fair elections.**

CAPEL has contributed to an increase in voter registration of more than 50 percent in Nicaragua (1990), Bolivia (1991) and Panama (1994).

Because of regional program provided funds, four U.S. NGOs were able to witness and report on Mexico's August 21, 1994 national elections which were deemed to be the fairest and most open national elections in Mexico's history.

**SO 9: Public sector accountability and responsiveness increased.**

Due in part to assistance provided from the LAC Regional Financial Management Improvement Project, the passage of Bolivia's System of Government Administration and Control Law took place and resulted in the arrest and conviction of 20 Bolivians involved in illegal activities.

Regional program assistance has led to the decision to decentralize accounting and information management in Paraguay's health services.

Legislative strengthening efforts have resulted in Costa Rica's Congress producing more draft legislation than the executive branch.

Eight Latin American countries have adopted and implemented (or are in the process of implementing) revised criminal procedures codes and are moving toward systems featuring public trials and clear limits on pre-trial detentions as a result of regional program administration of justice assistance.

**SO 10: Increased citizen participation in public affairs**

A public opinion survey revealed that citizens in Panama have more confidence in the media than in any institution other than the Church, and that public confidence in the media exists in other Central American countries. This came about in large part as a result of journalism training provided under LAC's regional program.

Civic groups have been created and enlivened throughout the hemisphere and a catalogue of resources in civic education has been developed and distributed with assistance from the regional program.



## II. Performance Report

### GOAL: ENCOURAGING BROAD-BASED ECONOMIC GROWTH

**Strategic Objective No. 1: Resolution of key issues impeding environmentally sound and equitable free trade in the Hemisphere.**

Since this strategic objective emerged only after the prioritization of free trade as a hemispheric-wide goal at the Summit of the Americas, it is premature to report any significant performance as of this date. The proposed new Hemispheric Free Trade Project, which is expected to be authorized and under implementation in early Summer, will be the primary activity contributing to the achievement of this objective. Nonetheless, past and current USAID programs, including the LAC Regional program, have focussed on efforts to promote free trade and economic integration.

Under the last LAC Regional Action Plan (approved in June 1994), numerous activities contributed to progress in accomplishing the current strategic objective of "increased investment climates and liberalized trade in LAC countries". As part of the ongoing LAC Regional Trade and Investment Development Project (TIDP), which was recently transferred to the Global Bureau's Economic Growth Center (G/EG), efforts were made to stimulate and support free trade policy development and reforms that were consistent with USG policy initiatives in the region and the policy initiatives of LAC subregional organizations (for example, the Caribbean Basin Initiative, the North American Free Trade Agreement, the Andean Trade Pact Agreement). The TIDP project assisted field Missions in analytical studies and evaluations and supported efforts by other USG agencies to promote trade and investment in the region, particularly in agribusiness and tourism. For example, in Mexico a review of that country's patent system and the related assignment of experts from the U.S. Patent Office brought Mexico's entire backlog of more than 22,000 pending cases up to date. The project also supported technical assistance by the U.S. Department of Justice and the Federal Trade Commission to Venezuela to improve competition and consumer protection policy in Venezuela, and thus make more equitable the gains from trade. Such assistance has helped the Venezuelan Government improve competition in such industries as paint, beverages and industrial tiles and bricks.

TIDP also funds a Latin America/Caribbean Business Development Center at the Commerce Department which provides trade and investor information to U.S. firms interested in supporting the development of agribusiness, tourism and other economic infrastructure in the region. Project-sponsored trade missions and market information have helped bolster the contribution of the private sector to various countries'

sustainable growth in the region. For example, expanded private trade and investment in tourism and other sectors has helped Jamaica's net international reserves reach a positive J\$400 million in 1994 versus a minus J\$830 million in 1984.

Under the now-completed Agricultural and Rural Development Technical Services Project and the ongoing Agricultural and Natural Resources Management Technical Services (LAC TECH) Project, technical assistance was provided to USAID Missions and LAC countries which:

- brought on line exports of red meat by Nicaragua to the U.S.;
- developed fresh commodity admissibility lists that led to the first exports of melons by Nicaragua to the U.S. in ten years;
- assisted in setting up an APHIS position in Ecuador to facilitate non-traditional agricultural exports (NTAEs) to the U.S.;
- participated in the inspection and review of hot water dip facilities for exports of mangos from Nicaragua;
- conducted a seminar in Uruguay that contributed to an increase of onion exports to the U.S.;
- contributed to the development of a video on NTAEs in the region that has stimulated interest by other donors;
- contributed to the feasibility study that led to the privatization of coastal experiment stations in Peru;
- trained the Ministries of Agriculture in Costa Rica and Guatemala in pre-clearance inspection of melons and pineapples, which led to a drop in interception levels at U.S. ports;
- contributed to the creation of the semi-autonomous structure of the Deeds Registry, Supreme Court Registry, and Land Court in Guyana, allowing for increased private sector investment in export agriculture;
- provided training, technical assistance, and workshops to support organizations involved in trade in different countries of the regions, contributing to their organizational sustainability; and,
- contributed to a strategy that led to the export of canned meat from Paraguay.

USAID, other USG agencies, and the NGO community are now focussing assistance on selected countries in the LAC region to resolve basic trade and integration issues to ensure full hemispheric participation in the FTAA. In the course of developing the new LAC Regional program strategic plan, the strategic objective was revised to emphasize the resolution of key issues impeding environmentally sound and equitable free trade. The program outcomes are expected to closely track both USTR's trade negotiating agenda (which addresses a variety of tariff and non-tariff barriers ranging from phyto-standards to intellectual property rights) for the region as well as USAID's goals for broad-based economic growth and include:

- increased capability of target LAC countries to implement improvements needed for constructing FTAA (Program Outcome 1.1);
- increased adoption of trade-enhancing infrastructure (Program Outcome 1.2);
- regional institutions established to support trade expansion (Program Outcome 1.3);
- increased adoption of improved environment/natural resource management practices related to free trade (Program Outcome 1.4); and,
- increased adoption of improved labor/management relations and practices related to free trade (Program Outcome 1.5).

While the Hemispheric Free Trade Project has not been fully designed, initial activities have been identified for support over the Action Plan period. The expected accomplishments/activities in selected countries by program outcome are as follows:

- Program Outcome 1.1 - technical assistance and training will be provided for the reform and implementation of US Trade Representative (USTR)-targeted improved trade discipline systems; sanitary and phyto-sanitary control systems will be upgraded; Hazard Analysis and Critical Control Point (HACCP) systems will be introduced for poultry, beef, seafood and canning industries; and a comprehensive study of the implications of "Quality Assurance Systems" registration (ISO 9000, ISO 14000, HACCP, Organic Certification) to the expansion of NTAEs will be completed and made available to the agro-industrial sector.
- Program Outcome 1.2 - innovative applications of telecommunications will be linked in the area of trade, environmental mapping, and health of labor force in U.S. domestic pilot programs under the National Information

Infrastructure; selected secondary and tertiary cities will be introduced and linked into the Trade Point system; training sessions on CITELE regional telecommunications initiatives will build on current efforts to direct competition policy and standards in the rapidly changing telecommunications industry; training for public and private sector telecom professionals; and, the introduction of enhanced hemispheric-wide geodetic grid and baseline cartography to assure full utilization of Global Positioning Systems/Geographic Information Systems (GPS/GIS).

- Program Outcome 1.3 - terms of a request for assistance will be developed/outlined to restructure agro-ecological research cooperation based on expected structural adjustments in LAC agricultural production and trade; efforts to design hemispheric regional centers in the five LAC trading regions will be supported; application of new personal computer-based geomatic technologies to implement and monitor organically certified agricultural operations will be reviewed; and a comprehensive study will be undertaken to determine the investment requirements to rationalize and upgrade fertilizer production throughout the hemisphere to meet higher energy efficiency and environmental standards attendant to free trade.
- Program Outcome 1.4 - assistance will be provided to LAC countries to develop appropriate environmental regulatory frameworks and incentives, and promote the adoption of pollution prevention and "clean technologies;" to assist countries (governments and the private sector) with pollution prevention and natural resources management trade related issues; and, to promote awareness of environment and trade concerns, and strengthen the capacity of LAC NGOs to actively participate in free trade/environment policy dialogue and programs.
- Program Outcome 1.5 - interested NGOs will be supported to outline options available to countries to establish mechanisms to foster trade and labor consultations on trade related matters, and an analysis of indigenous rural population labor movements and alternatives for resolution of conflicts resulting from trade adjustments will be undertaken.

During the Action Plan period, it is also expected that technical assistance, training and workshops under the LAC TECH project (now managed by G/EG) will lead to: development of supplementary Agency guidance to identify the policies and program actions that are most conducive to increasing the ability of rural poor people to take advantage of NTAE market opportunities; identification of geographic infrastructure (land registries, cadastres, land taxes and mapping for

aviation/shipping) that is most likely to lead to massive investment in economic integration; improvement in food safety and food trade policies; increased funding of trade-related technology and NTAE investments due to coordination with initiatives of other donors; increased effectiveness of regulatory institutions (customs, plant quarantine, food safety); possible creation of a regional science and technology council; establishment of trade points in secondary cities of the region; increased trade of organically grown products; decline in NTAE transaction costs, attributable in part to LAC TECH Technical Bulletins on demand-driven technology, methyl bromide and rural finance, and other subjects; and adoption of self-assessment programs for water quality.

**Strategic Objective 2: Constraints to access to key factor markets reduced for small business (small entrepreneurs, small agricultural producers and microenterprises).**

This strategic objective was significantly revised during the course of developing the new LAC Regional strategy to address not only constraints to access to financial services (which is the focus under the FY 1995 - FY 1996 Action Plan), but to broaden the focus to include other constraints that limit the ability of all segments of society to fully participate in a competitive market. In addition to access to financial services, it is critical for small businesses to obtain current information on product pricing, credit, insurance, shipping and other services. Equally important are efficient land titling systems that benefit small producers and businesses. Given equitable access to these factor and product markets, small entrepreneurs and agricultural producers are better able to participate in a competitive environment.

Even though this objective was revised substantially and is essentially a new objective, progress already is being made in a number of areas. A significant accomplishment was the development of the strategy document, "Marking Markets Work for the Rural Poor", which argues strongly for trade liberalization as a centerpiece of poverty alleviation programs. In addition, under the LAC TECH project, now managed by G/EG, LAC Regional funds were provided for technical assistance which:

- influenced the agenda of the World Bank in Ecuador, El Salvador, Guatemala, and Venezuela concerning property registries for lowering transaction costs and for promoting decentralization;
- played a lead role in a land tenure conference in Bolivia that led to the reactivation of a World Bank program to create a National Land Institute and to kick off debate on new market-oriented property legislation and its impact on the poor;
- facilitated workshops to non-governmental organizations working with the poor in different countries of the region, contributing to their organizational sustainability;
- contributed to the conceptualization of an innovative program in El Salvador for increasing the access of the rural poor to product and factor markets;
- prepared a food security strategy for Peru that recommended policies and program actions to alleviate the poverty of Peru's extremely poor and that resulted in substantially improved targeting of food aid programs;

- contributed to the development of a new Mission strategy for attacking poverty in Nicaragua;
- contributed to the development of trade information systems for lowering trade-related transaction costs in the Eastern Caribbean, Ecuador and Jamaica;
- conducted a legislative analysis of Nicaragua that influenced debate in the National Assembly on property rights legislation;
- stimulated public debate on credit union reform in Honduras and on state bank reform in El Salvador; and,
- played a role in linking the Mission's program with an innovative IDB credit program for the rural poor in Nicaragua.

Over the FY 1996-97 Action Plan period, LAC/RSD expects substantial progress to be made in accomplishing the strategic objective and the program outcomes which include:

- increased sources of small business lending,
- increased export-related information services available to small businesses, and
- more efficient land titling systems adopted that benefit small producers and businesses.

Earlier this fiscal year, a grant was made to ACCION International (under the Sustainable Microfinance project) for the purpose of transforming ACCION affiliates into sustainable institutions that can access formal financial markets and can effectively deliver financial services to the poor. Although this program is just beginning, by the end of FY 1997, ACCION will have expanded the Loan Loss Reserve Fund, providing financial leverage so that local financial institutions can access capital in the formal sector in the countries of Ecuador, Paraguay, Guatemala, Colombia, and the Dominican Republic. Financial instruments such as bonds, certificates of deposit and equity will be designed to attract national capital to finance microenterprise development.

The new proposed Hemispheric Free Trade Project, due to start later this fiscal year, will advance trade information and related services to small businesses and small producers in four areas. First, telecommunication based marketing systems (for example, UNCTAD Trade Points, US Chamber of Commerce "IBEX" Trade Network Nodes and "AgAmericas") will be introduced in six selected countries as prototype demonstrations. Second, a study will be conducted which identifies and targets for investment

small value-added food industries in Central America that can expand as a result of export trade. Third, six prototype commercial organic coffee demonstrations sites will be operating in selected countries. And fourth, a study will be completed which clarifies the implications of proposed trade discipline systems involving "Quality Assurance Systems Registration" such as: ISO 9000, ISO 14000, HACCP and Organic Certification to small growers and food processors and handlers.

Finally, a new proposed project scheduled to begin in FY 1996, Privatization of Agricultural and Urban Lands, is intended to deal with poverty alleviation through better access to land. During the initial implementation period, it is expected that regional pilot programs at four sites will be operating which demonstrate decentralized, municipal-level, parcel-based private property registration systems based on private sector provision of surveying and mapping services employing modern GPS/GIS technologies. Also, given that common property land management systems, particularly with respect to sustainable management of hemispheric tropical hardwoods, is a major challenge for free trade, a study will be completed on community-to-industry concessions and easements, and the results made available in a series of workshops in selected countries.

In addition to the activities managed by the LAC Bureau, the resources of G/EG will be drawn upon to help achieve this strategic objective. Over the Action Plan period, we expect to utilize the LAC TECH Project to contribute to the accomplishment of the following: facilitate a workshop entitled "Organizational Management for Sustainability" to increase sustainability of NGO organizations working with the poor; issue guidance on identification of policies and program actions that are most conducive to increasing the ability of rural poor to take advantage of NTAE market opportunities; increase involvement in trade by poor people by promotion of trade points in countries of the region; increase economic security for indigenous peoples by issuing guidance on common property management; increase access to land by the poor by standardizing land information in LAC countries; increase access to financing by the poor due to creation of credit worthiness information systems in Honduras and other countries; increase access to financing by the poor by developing loan guarantee programs; increase savings by the poor as a result of increased availability of bonds; increase access of the poor to financial institutions due to conversion of privatized branches of state banks into cooperatives; and, increase liquidity for the poor by developing collateralized marketing warrants.



**Strategic Objective No. 3: Improved human resources policies adapted in selected LAC countries.**

This strategic objective in education is new to the LAC Regional strategy and the Action Plan. Although the strategic objective is new, the regional program has focused some attention and resources on education policy in the past with good success. Through the Education and Human Resources Technical Services (EHRTS) Project, LAC financed a series of advocacy human resource policy issues papers in Spanish and English with more than 2,000 copies distributed to key leaders and opinion makers in the region. Under LAC direction, EHRTS developed a highly successful computer-assisted education policy reform model, LASER, which has influenced and guided education policy reform dialogue in USAID Missions, Ministries of Education, and NGOs in Bolivia, Ecuador, El Salvador, Nicaragua, the Dominican Republic, Haiti, and Honduras. In addition, LAC/RSD-EHR supports a U.S.-based PVO, the Inter-American Dialogue, that has held several meetings with key policy-makers in the region in an attempt to develop a common education policy reform agenda for the Americas.

In addition to these accomplishments, LAC has utilized two human resources training projects to increase the number of policy and opinion makers through training in key development areas necessary to support economic growth, participatory democracy, improved human health, and the protection of the environment. (The focus of the strategic objective in the FY 1995 - FY 1996 Action Plan was improved human resource skills.) Over the last 10 years, the LAC Regional program has supported more than 20,000 trainees (of which 40% were female, 30% were long-term and 80% were economically disadvantaged) who have become the technical academic, financial and political leaders in the region. Moreover, a separate self-sustaining project has distributed more than 5.3 million university textbooks in 22 professional fields throughout the region influencing academic research and public opinion in the region. In short, progress to date in accomplishing the objective of improved human resource skills has been outstanding.

As described above, progress toward the new objective of improved human resource policies has been solid and strong. The anticipated program outcomes from this new strategic objective include:

- strengthened capabilities of key public and private organizations to support education policy reform, and
- educational policy reforms adopted in targeted LAC countries.

The program outcomes will lead to improved utilization of the resources devoted to education and the gradual improvement in

the quality of education and educational services in the hemisphere. In addition, over this Action Plan period, an active partnership will be formed between the nations of the hemisphere, and the partnership will serve to elevate the importance of investment in education and to alleviate poverty within the region.

**GOAL: PROTECTING THE GLOBAL ENVIRONMENT**

**Strategic Objective No. 4: Improved protection of selected LAC parks and protected areas representing a variety of ecosystems.**

Since the last Action Plan, a number of important changes have occurred in the strategic objective and supporting program outcomes. The last plan's strategic objective, "improved conservation of biological diversity in and around critical sites throughout the LAC region", was altered to reflect what is within the manageable interest of the LAC Regional program. Although we assume that improving park management will simultaneously result in biodiversity conservation, the project does not invest the resources necessary to monitor biodiversity at each site, and biodiversity monitoring over a short time horizon (5-7 years) is technically a controversial undertaking. The program outcomes were altered to better reflect current portfolio activities, to incorporate new outcomes based on the LAC Regional Parks in Peril Project evaluation and, most importantly, to reflect the necessary components of improved protection of selected LAC parks. The strategic objective will be accomplished through the ongoing Parks in Peril Program and includes the following program outcomes:

- strengthened local capacity for long-term, on-site protection of targeted parks and protected areas;
- strengthened capacity of targeted NGOs for long-term management of targeted parks and protected areas;
- community constituency developed to support long-term management of targeted parks and protected areas; and,
- sustainable non-USAID funding sources attained or created for parks and protected areas.

In the last year, significant progress was made in the Parks in Peril Project to improve protected areas management in twenty-seven sites throughout Latin America and the Caribbean. Four of these sites (Ambora and Noel Kempff in Bolivia, Mbaracayu in Paraguay, and Corcovado in Costa Rica) graduated from the Parks in Peril program, signifying that these sites now have adequate park infrastructure, a strong NGO manager/advocate, and excellent prospects for long-term financing. Graduation implies that parks no longer need emergency funding from the Parks in Peril project to keep them viable--they now have a sustainable future and are not merely "paper parks." A number of other notable accomplishments occurred as a result of this year's project activities:

- The boundaries of Mexico's Sian Ka'an biosphere reserve were extended by 95,800 hectares. The reserve boundaries now

include the Alta Bahia de Espriritu Santo area south of the former boundary.

- In May 1994, the Government of Paraguay accepted the recommendations of the local NGO partner, the Moises Bertoni Foundation, and signed into law the addition of 25 new protected conservation sites (totaling two million hectares).
- Work by Fundacion Arcoiris with the local communities and Government of Ecuador resulted in the peaceful removal from Podocarpus National Park of several hundred gold miners from the park's core area. For their effort, Fundacion Arcoiris was a 1994 recipient of the UN Environment Programme's (UNEP) Global 500 award.
- Fundacion Peruana para la Conservacion de la Naturaleza, a Peruvian NGO working in Pampas del Heath and Yanachaga National Parks and a target for NGO strengthening through the Parks in Peril project, also received UNEP's Global 500 award.
- In Colombia's Cahuinari National Park, a community outreach project helped improve the sustainable use of the world's largest river turtle, the Charapa (Podocnemis expansa). Local communities participated actively in enforcement procedures, preparation of artificial incubator sites, and monitoring of river "beaches" where turtles lay their eggs. Currently, egg poaching has been vastly reduced, and 80,000 hatchling turtles have been returned to the river.

A number of other accomplishments over the past year, many of which were prompted by the external evaluation completed in early 1994, improved individual park management and overall project coordination. Particularly notable is the improved emphasis on incorporating gender issues into all activities, including employment opportunities. For example, Colombia's first woman park ranger was hired in Chingaza National Park; a woman agricultural extensionist was hired in Paraguay's Mbaracayu Forest Nature Reserve; and in Sierra de las Minas Biosphere Reserve, Guatemala, a woman biologist is conducting research in quetzal biology. Other accomplishments relate to development of improved annual workplans for project sites; development of criteria for graduating sites from the Parks in Peril program; greater collaboration between NGOs and national governments to develop long-term management plans often resulting in the NGO being granted primary management responsibility over the protected area; and identifying/establishing sources of sustainable financing for park management.

During this Action Plan period, a number of major events or significant accomplishments are anticipated. These include:

- Graduation of five additional park sites.
- Initiation of park management activities in the Talamanca-Caribbean Biological Corridor in Costa Rica. This activity supports a consortium of 13 government, non-government and indigenous peoples organizations. It also supports the CONCAUSA agreement.
- Initiation of "balancing themes" into the Parks in Peril program to improve park site sustainability. These themes focus on conservation science, conservation policy, long-term financial planning, work with local peoples, and production and dissemination of learning tools.
- Completion of several major training exercises including: (1) a long-term financing workshop to improve planning for sites about to graduate; (2) conservation training in various aspects of sustainable park management; and (c) training for key protected areas specialists, with emphasis on training more women.
- Development of improved community outreach activities, especially those which involve women in development.
- Continued efforts to augment the Peru National Environmental Funds, and to develop a National Environmental Fund for Ecuador.
- Collaborating with the Japanese government to encourage increased matching support for the Parks in Peril Project. This will augment the Common Agenda between the U.S. and Japan.

**GOAL: STABILIZING POPULATION GROWTH AND PROTECTING HUMAN HEALTH**

**Strategic Objective No. 5: More effective delivery of selected health services.**

Since last year's Action Plan, this strategic objective was expanded from a focus on "increased effectiveness and efficiency of immunization services" to the "more effective delivery of selected health services", including vaccinations, acute respiratory infection control, diarrheal disease control, HIV/AIDS prevention and family planning. These health services are targeted for equitable access by the Summit of the Americas health initiative (see Strategic Objective 6) and are important parts of USAID's overall population/health strategy. The program outcomes (identified below) have been revised to reflect the ways that the Pan American Health Organization (PAHO), the primary implementing organization under this strategic objective, can intervene in target countries to effect change in delivery of the health services selected.

Under the ongoing LAC Regional Accelerated Immunization II Project, implemented by PAHO, vaccination programs have contributed to substantial progress in health, to wit:

- transmission of polio was declared to be eradicated from the Americas in September 1994;
- measles cases in the Americas have decreased from over 200,000 in 1990 to well under 2,471 in 1994--a 99 percent drop, due to higher coverage of each birth cohort, combined with campaigns to re-vaccinate all children 9 months to 14 years of age; and,
- vaccination coverage in the region with all antigens remains high, at just under 75 percent for 1994.

Despite this excellent progress, much remains to be done before the current strategic objective "increased effectiveness and efficiency of immunization services" is accomplished. The first strategic objective indicator shows some improvement--three of nine countries now have studies indicating at least a 50 percent improvement since 1990. The target for 1994 was for seven countries to show this improvement. One small scale study in Peru shows marginal worsening in this indicator (from 57 percent to 61 percent), but is probably not nationally representative. The primary problems is that PAHO has not conducted studies in all countries, so the status is not clear.

The second strategic objective indicator (LAC Child Survival countries where 75 percent or more of municipios have 90 percent or higher coverage of first dose of DPT vaccine), is not showing improvement as planned. Only two of the nine countries achieved

this level in 1993; only one achieved this level in 1994, although this measurement is somewhat obscured because two countries revised their health information systems in ways that affected reporting. For the six countries reporting lower than 75 percent of municipios with 90 percent coverage of DPT1, we must conclude that geographic coverage of the vaccination program is still inadequate.

At the program outcome level, PAHO reports that all LAC countries' immunization norms conform to regional standards, based on the field manuals developed and revised during the current and previous project. There is no report to date on targeting of resources; PAHO is in the process of refining the parameters for the indicator, in order to get correct information from the nine target countries. Seven of the nine target countries show substantial increases in the proportion of recurrent costs covered by national funds between 1990 and 1995 (Haiti and Guatemala information not yet available). Seven countries had Interagency Coordinating Committees that met at least four times during 1994, had some PVO participation in the program, and were monitoring program funding; the target was for all nine to be functioning at this level in 1994.

With the revision of the strategic objective to focus on a number of health services, including immunizations, the program outcomes were also revised and include, for each health service selected, in each target country:

- improved country norms, standards, plans and policies developed and used;
- improved targeting of resources to neediest populations; and,
- increased national resources supporting selected health services.

During the Action Plan period, the new proposed Health Priorities Project (which will be the primary project supporting this strategic objective) will be developed and approximately one of five years of implementation will occur. We expect that complete definition of each indicator will occur, baseline for all indicators will be reported for 1995 and targets for 1996-2001 will be established. Due to the nature of the indicators, and the high levels of preparation required prior to accomplishment, we would expect that most of the target countries would not achieve them during this Action Plan period. However, we do expect significant project activities: selection and placement of sub-regional advisors for each project component; identification of existing program norms at regional and country levels and determination of changes needed; initiation of surveillance systems (necessary to identify neediest

populations); and initiation of annual budget and program discussions among all donors and program implementing agencies in target countries.



**Strategic Objective No. 6: Implementation of country health-reform plans/programs that increase equitable access to basic health services.**

This new strategic objective directly supports the Summit of the Americas' Plan of Action which calls for governments to endorse a basic package of clinical, preventive and public health services and to develop or update country action plans or programs to achieve child, maternal and reproductive health goals and ensure universal, non-discriminatory access to basic services. Although it is a new objective, the LAC Regional Health and Nutrition Technical Support Services (HNTSS) Project already contributed significantly to these health reform efforts. For example, in Paraguay, Bolivia, Honduras, Peru, Ecuador, Nicaragua and Jamaica, technical assistance and training was provided to governments in their efforts to decentralize decision-making both in the ministries of health and other public sector facilities in order to facilitate closer coordination and responsiveness of service providers to end users. This resulted in the Paraguayan Government's request for further assistance in the decentralization of health services and restructuring of their management information system. In Jamaica, technical assistance was provided to address issues related to decentralization of services, cost-recovery, cost-containment, the privatization and divestment of ancillary services, management training and increasing cooperation between the private and the public sectors in providing health care services. Hospitals have now improved their ability to recover and retain costs for health services, established private wards, privatized ancillary services (laundry, catering, other), and improved management training. Finally, to make administrative and management systems more efficient and effective, the HNTSS project has provided technical support to increase cost recovery, to monitor costs and other resources through the use of indicators, and to improve the understanding of the importance of recurrent costs of health services. These activities have generated income and improved the prospects for sustainability.

The primary activity to help achieve the Summit objectives and this strategic objective, is a proposed new project, Equitable Access to Basic Health Services, which is being designed. (A New Activity Description is contained in Part III of this Action Plan.) The purpose of the project will be to support country plans/programs for reform to increase equitable access to basic health services. The project will support change in country-level policies (definition of basic health services, public/private provider mix, financing sources and allocation of public subsidies) in order to promote equitable access to basic health services. LAC will target the thirteen countries in the region that have an active USAID population, health and nutrition program. It is expected that the project will be implemented by PAHO and/or the Inter-American Network on Health Sector Reform.

The single program outcome of this strategic objective is the development and approval of country health-reform programs/plans that increase equitable access to basic health services. During the Action Plan period, it is expected that specific measurements for the strategic objective and program outcome indicators will be agreed to, baseline data collected and targets established for accomplishment of the objective. It is anticipated that the targeted countries all will have approved plans and packages by FY 1997. Also during this Action Plan period, the Health Financing and Management Network will be initiated. The Network will establish a strategic plan for assistance to LAC countries, hold seminars/workshops on reform topics of interest to multiple countries, develop a corps of consultants, provide technical assistance to individual countries (based on the strategic plan), and design and initiate regional research.

## **GOAL: BUILDING DEMOCRACY**

In keeping with earlier guidance suggesting one or two strategic objectives per sector, the former LAC Democratic Initiatives Office (now, LAC/RSD-DHR) collapsed several sub-sectoral strategic objectives into one broad objective, "support and strengthen regional democracy networks and institutions", that represented a compilation of sub-sectoral objectives rather than a measurable, quantifiable objective in and of itself. No baseline material had been collected, and targets had not been established. This year, LAC/RSD-DHR embarked on a serious effort, calling on the skills of our colleagues in CDIE and the LAC Bureau, to develop measurable strategic objectives and program outcomes within our manageable interests. Useful performance indicators have been identified for which information will be collected. These are being discussed and indicators developed in close collaboration with LAC colleagues, grantees and contractors as it is they who ultimately will be collecting data in the field.

### **Strategic Objective No. 7: Improved effectiveness of organizations to promote and protect human rights.**

For this strategic objective, three program outcomes have been identified. First, there will be increased capacity of selected human rights groups (7.1). This includes training for and strengthening of targeted NGOs and an enhanced understanding, nationally and regionally, of human rights problems and abuses. Increased capacity of executive branches, judicial systems and legislatures to promote and protect human rights is the second program outcome (7.2). The third is greater ability of the media to heighten awareness of human rights and investigate abuses (7.3).

The first indicator for program outcome 7.1., the "number of organizations provided TA and advisory services by IIDH", is designed to capture the breadth and depth of work undertaken by IIDH and other grantees to improve respect for human rights in the region. IIDH conducts programs in four areas, all of which work with NGOs in some capacity. During this Action Plan period, LAC/RSD-DHR will work with IIDH to expand the indigenous people's program to better reflect the multi-ethnic and multi-lingual composition of the Americas, assist NGOs in implementing the recommendations expected to come out of the Beijing Conference on Women, conduct sub-regional interdisciplinary human rights courses, and begin more intensive work on political party strengthening and rule of law programs. IIDH will offer about 12 courses a year over the next two years in such areas as humanitarian law; international law; investigation and documentation of human rights violations; forensic sciences; political, economic, social and cultural rights; and NGO training in public education techniques. Activities in these particular

areas, combined with ongoing efforts at the governmental and international levels, should continue to move forward dialogue on, respect for and adherence to human rights in Latin America.

USAID support to IIDH is both an institution-building and a human rights project. The program outcome will not focus on the institution-building aspect of our assistance, but rather on IIDH's role as a promoter of human rights in Latin America because that is clearly a higher-level goal. Nonetheless, one measure of the success of IIDH as an institution is the percentage of funds it receives from USAID as compared to its overall budget. A downward trend would provide some indication of its credibility. During the past year, LAC regional program funds accounted for about 25% of IIDH's annual \$6 million budget, down from about 50% five years ago and 98% at its inception in 1980. IIDH itself has grown from an organization of three to nearly 80 employees. We expect that USAID will continue to provide about 25% of its budget through September 30, 1997 (the end of the grant to IIDH).

Indicator 7.1.2, "Percentage of participants (by gender) in IIDH training who report improved understanding of human rights issues following training", is intended to measure the utility of training provided through the Inter-Disciplinary Human Rights Course, the mainstay of the IIDH program. In course evaluations, all the participants said they benefitted from the course. IIDH will be conducting subregional courses in Brazil (1995) and Mexico (1996), which also will be evaluated.

For Program Outcome 7.2., "increased capacity of executive branches, judicial systems and legislatures to promote and protect human rights," one of the clearest indicators of increased government willingness is commitment to establishing an independent Human Rights Ombudsman's office, or its equivalent (Indicator 7.2.1). In 1985, none existed. Today, IIDH has helped create Human Rights Ombudsmen's Offices in Mexico, Honduras, Costa Rica, Guatemala, El Salvador, Paraguay, Colombia and Argentina. During this Action Plan period, IIDH will be responding to requests for assistance from Bolivia, Nicaragua and Panama, which are planning to establish ombudsmen's offices. In Panama, in fact, the Government has invited NGOs to submit papers to be considered in the drafting of the law to establish the office. USAID cannot take sole credit for this phenomenon as other donors, particularly the European Community (EC), provide funds to IIDH for this effort, but we certainly share in the credit by providing long-standing core support.

"Number of judges receiving human rights training" has also been selected as a measure of increased capacity of government entities to promote and protect human rights. Again, the EC is supporting this program. IIDH has been providing human rights training for judges for years but during this Action Plan period

will begin to work on the more structural problem of lack of independence of the judiciary and its effect on the rights of detainees. IIDH has received requests for assistance from the presidents of the courts of Bolivia and Honduras. To gauge the impact of judicial training, IIDH has begun to survey participants immediately following training, then three months later to determine any application of the lessons learned. The results of the first 150 surveys, issued between October 1994 and February 1995, have not been analyzed yet. By the same token, IIDH works with military and security forces given the heightened concern over citizen security in Latin America and historically poor human rights performance of Latin American armed forces. USAID is not funding this program, but we will receive information on program performance and progress because of its obvious relevance to our work. Similarly, we are working with IIDH to encourage positive changes in the structure of the state. For example, Guatemala, Ecuador and Costa Rica have child protection offices or agencies; IIDH is interested in encouraging other countries to follow suit.

Program Outcome 7.3., "Greater ability of media to heighten awareness of human rights and investigate abuses," will focus specifically on human rights training provided through the Latin American Journalism Project. Florida International University (FIU) has been providing some human rights training through the ongoing investigative reporting seminars, but has not been tracking human rights training separately. For reporting purposes, FIU will disaggregate human rights training beginning in 1995. In addition, IIDH is interested in initiating a human rights training program for journalists. The Bureau has encouraged them to meld this with the FIU training program to conserve resources and build upon already existing frameworks.

**Strategic Objective No. 8: Improved capacity to conduct free and fair elections.**

Ten years after establishing the Protocol of Tikal (in 1985), all the Central American countries have made great progress in terms of elections. In all these countries, the results were accepted by the losing parties and there were no big problems of violence following these elections. On the contrary, the elections were part of a peaceful solution to historic conflicts (for example, El Salvador and Nicaragua). We will continue to monitor this trend. The credibility of the electoral tribunal as an institution is very high vis a vis other governmental institutions, according to IIDH public opinion surveys. In countries like El Salvador and Honduras, credibility is good, but not as high as in other countries because the composition of the electoral tribunals is still under the influence of political parties. CAPEL is recommending to the main political leaders and other political actors that they move to a different constitution of the tribunals.

During the next two years, CAPEL will build the technical institutional capacity of the electoral tribunals and professionalize their technical staff on electoral management issues. With the exception of Costa Rica, progress needs to be made on the civil register and electoral register. The main complaint of political parties in Honduras, Guatemala, Nicaragua and El Salvador is about the credibility of the electoral register. In the Andes, problems also exist. CAPEL is seeking assistance from the IDB and OAS to coordinate efforts and improve the conditions of the civil registries in Paraguay, Bolivia, Peru, Ecuador, Nicaragua, El Salvador, Honduras, Guatemala and the Dominican Republic. Each program will cost no less than \$2-3 million, so USAID funds would be used to defray core support costs to CAPEL. CAPEL will promote a civil career for staff of electoral tribunals to ensure institutional stability and capability of the tribunals. To do that, CAPEL will begin training the technical staff of tribunals in issues related to electoral management. This is critical because at present there is a staff turnover following every election, which means having to train new personnel for each election. The data bank on electoral laws in Latin America, developed by CAPEL, will serve as a most useful resource for electoral tribunals, political parties, congresses and others.

Two program outcomes are anticipated for this strategic objective. The first (Program Outcome 8.1.) is strengthened national and regional electoral bodies. The second (Program Outcome 8.2.) is increased multi-party participation in electoral processes. As Latin American countries gain experience in conducting elections, we expect to see the focus of our regional elections activities transition from support for specific domestic elections to help in addressing structural problems

related to elections, such as production of citizen identification and voter registration systems in Latin American countries. Work in this area will ultimately reduce the delay, repetitiveness and potential margin for error associated with producing new voter registration lists and cards for each election. We also expect to see a greater reliance on domestic or regional capacity to assist in the technical conduct of elections. Each country in the region has committed through the appropriate protocol to invite other electoral commission heads to observe their electoral processes.

Regarding political party strengthening, indicator 8.2.1., "At least two major political parties participating in the elections", was identified at the PPC/CDIE Democracy Indicators Conference in May 1995 as a useful indicator as to whether free and fair elections are taking place. The regional program makes available political party support in the broadest terms through a grant to the Carter Center and through CAPEL. Both support bilateral efforts. The Council of Freely Elected Heads of Government mediates the concerns of political parties identified in assessment missions, then at the invitation of the parties works to mediate their concerns and help them reach consensus on the electoral rules of the game. Following the elections, if invited to return for post-election follow up and the inauguration, the Council will assist in ensuring a peaceful and orderly transition of authority. Former President Carter has not indicated which elections he will monitor during the Action Plan period, but we can anticipate possible involvement in Haiti, Nicaragua, the Dominican Republic, and Guyana (in 1997).

CAPEL has begun to study the reasons why political parties and legislatures are held in such low esteem by citizens in almost all Latin American countries (by varying degrees). CAPEL has produced a book, Partidos y Clase Politica en America Latina en los 90, and will develop follow on activities based on the research findings.

**Strategic Objective No. 9: Public sector accountability and responsiveness increased.**

The anticipated program outcomes for this strategic objective are: (1) increased decentralization in the region; and (2) strengthened legislatures. Indicators at the strategic objective level incorporate efforts under LAC's Regional Financial Management Improvement Project (RFMIP). The project, even though suffering from severe funding cuts, has been successful in promoting integrated financial management systems and control concepts throughout the hemisphere, as illustrated by a \$15 million, comprehensive financial management reform program in Nicaragua financed by IDB, the World Bank and USAID. In August 1995, the project will fund a major financial management assessment in Brazil, which will serve as the catalyst for multi-donor financing of a financial management reform program. The World Bank has also asked the project to look into the possibility of assessing the financial management capabilities of selected states in Brazil in anticipation of the decentralization process. Finally, RFMIP has begun to develop its corruption strategy and plans to carry out at least two in depth country assessments to determine how civil society, in general, and NGOs, in particular, can become more proactive in fighting corruption.

Regarding decentralization, as in the United States, many of the innovations in governance and civil society in the LAC region are occurring at the municipal, county and state levels. Citizens' participation in their own governance, a mid-1990s view of municipal development, a trend toward decentralization and deconcentration, and new constitutions and laws mandating more local authority and responsibility are at the heart of movement toward greater democracy in the hemisphere. It is increasingly realized that municipal and national governments can successfully use innovative means to communicate with and engage citizens positively. Local revenue generation and control are key facets, and may be aided by more proper and extensive land titling, which are related to Strategic Objective No. 2 on privatization of agricultural and urban lands and sustainable micro-finance.

Some USAID Missions, particularly in Central America, have their own municipal development and local governance projects. But several of these are limited in their scope, while other countries and missions have requested assistance in helping make local governance more responsive and efficient. For example, Colombia, Peru and Ecuador have requested assistance under the Local Government and Municipal Development Project (598-0799), but limited resources have restricted most activities to Paraguay and Chile.

In FY 1997, the Local Government and Municipal Development project will be amended. It will build upon the experimentation and pilot efforts under the two regional local governance



projects, which are due to terminate in FYs 1996 and 1997. The amendment will emphasize: (1) the strengthening of and, if necessary, creation of municipal associations; (2) local finance, including municipal credit worthiness; (3) reforms to municipal legal frameworks; (4) early dialogue with mayors, councils and local civic organizations; (5) municipal management skills; and (6) engendering meaningful citizen participation (related to number 4). The creation and/or strengthening of municipal associations or confederations--independent of ministries of interior or repressive, control-minded police forces--are of vital significance. Well-managed associations mean that local governments--strapped for trained human resources, funds and sometimes ideas--can share best practices and lessons learned, train employees jointly, share business and industrial development, initiate and negotiate for useful legislation, develop standardized operating procedures, and effectively lobby the strong, centralized national governments.

Personnel of both existing local governance projects have advocated measuring public opinion regarding the performance of municipal governments. Their pioneering, policy-focused efforts have not dealt with surveys which, over time, assess the changes in citizens' opinions. USAID and the LAC countries will benefit if we know to what extent the current devolution of responsibility to sub-national units in LAC makes democracy more successful and lasting. Processes have converged to raise public awareness of the role of local governments and increased grassroots expectations regarding their performance. Much is riding on the outcome, both in terms of effective service delivery to the poor as well as the maturing of Latin American attitudes about and commitment to an inter-active democracy process. Thus, if resources permit, the LAC regional program will fund a multi-country survey program, lasting three years, to provide feedback on the effects of decentralization and local government programs on public attitudes and opinions.

As described in the strategy, under the regional program, a regional legislative project will be developed during the Action Plan period to explore regional themes and bring to bear U.S. expertise to Latin American concerns. We anticipate that this project will follow up on recommendations made at the upcoming legislative modernization conference, planned for October 1995 in Santa Cruz, Bolivia.

**Strategic Objective No. 10: Increased citizen participation in public affairs.**

There are two program outcomes for this strategic objective: (1) regional network(s) of civil society organizations established in/among LAC countries; and (2) reliable, alternative information and opinion sources in the region increased. For the purposes of this strategy and Action Plan, civil society is defined as "the total array of voluntary, private organizations whose members concern themselves, at least partially, with public affairs and problems". It has been an implicit assumption in the Agency and LAC Bureau for several years that an increased number of civil society organizations is, in itself, both a desired goal and a means of augmenting citizen participation in public affairs. The increased number of organizations generally indicates greater numbers of people involved in discussing and trying to resolve public problems, the continuity of effort that characterizes organized groups, and a healthy competition among them to improve community and national life.

These civil society organizations (CSOs) can be either open-ended and "omnibus" or deal with a certain area or sector, such as environment and natural resources, public health or education. For indicator 10.1, we wish to capture the extent to which CSOs go beyond discussion of public problems and affairs to attempt to actually influence legislative bodies and eventually public laws. Throughout much of the hemisphere, legislatures operate at low levels of relevance, in large part because there is little connection between legislators' deliberations and "actual" people and their problems. For the most part, legislatures desire more participation from the people but do not know how to engender this. Debating and formulating legislation can be a most positive, structured realm for many CSOs and advocacy groups to make their voices heard, while being a counter-balance to the region's strong executive branches of government. This effort builds upon the recently completed Regional Legislative Strengthening Project and several bilateral projects, as well as the new proposed LAC Regional Legislative Networking Project and a few other LAC Regional projects. The Partners of the Americas, Casals and Associates, FIU under the journalism and local governance projects, and the five leading Latin CSOs under the amended civil education activity will actually monitor to determine how many CSOs actually participate in formulating legislation. We anticipate an increasing number, due in part to our regional activities.

For indicator 10.2, we plan to select four or five countries to determine if and to what degree citizens groups and NGOs influence executive branch policies. This will include any combination of new laws, legislation, executive orders, or changes in enforcement of existing practices. Special attention will be given to those policies that welcome or facilitate

citizen involvement in public affairs. Attitudinal surveys and studies of democratic values can reveal people's feelings and fears about the existing political order, and whether they are inclined toward positive civic involvement and action. In 1992, surveys were undertaken in the capital cities of Costa Rica, Guatemala, El Salvador, Nicaragua, Honduras and Panama, and a national study was done in Guatemala in 1993, with a follow-on survey scheduled for 1995. For the LAC regional program (indicator 10.3), we will limit our measurement of the percentage of citizens who perceive they can participate in public debate to two facets under the LAC Regional Civic Education Project: as part of the civic education for youth and for support to electoral processes. First, youth have been largely ignored in the aforementioned attitudinal studies, yet the aspirations and fears of youth provide, we believe, good barometers of public perception. Second, electoral campaigns and processes tend to crystalize the public's beliefs and attitudes toward their democratic orders; their perceptions and potential roles in society can be more sharply measured at that time.

The number of informational exchanges conducted (indicator 10.1.1) generally reflects the sharing of best practices and lessons learned. An individual or CSO in one country has usually been told of quality resources--reference books, training courses, promotional videos and data on talented persons to give technical assistance--in another country. Information exchange is one of the keys of the incipient regional network under the LAC Regional Civic Education Project; it is significant in other projects, too. We will limit ourselves to measuring information exchanges carried out under the Civic Education Project. Most of these exchanges will be carried out by NGOs in the area of civil society, and especially involve leadership training, civic education for youth, electoral processes, local governance and accountability, and promotion of philanthropy toward civil society. With time, technical exchanges among NGOs or CSOs (indicator 10.1.2) will reflect the sharing of best practices and methods and help reduce the discrepancy between high quality CSOs and those whose expertise and experiences are inferior. Many of these exchanges will be south-south rather than merely north-south.

Experience with regional, trans-national action tells us that proof of true commitment and regionality is whether one or more entities in given countries devote any combination of their time, personnel, monies and in-kind contributions to the regional network. This can be done formally or informally. For the next three years, we will monitor this aspect of the Regional Civic Education Project, and especially its new NGO civil society component involving leading Latin CSOs in a regional network.

While the LAC Regional Journalism Project will formally terminate in late FY 1997, the Latin American Journalism Training Center (to be inaugurated in late May 1995) should help provide salient contributions to Program Outcome 10.2, as well as Program Outcome 7.3. Over the next two years, FIU will be working on the orderly transfer of project activities from the regional office in Costa Rica and Miami to the Center in Panama. During the same period, they will continue to test market services and increase incrementally the fee structure to ensure that the Center can support itself once USAID funding ends.

Also, the journalism project is one of the best mechanisms available to promote intra- and cross-sectoral integration and to advance strategic objectives. FIU will be developing training seminars over the next two years in areas such as covering the judiciary and legislature, public administration and elections. We will continue the process begun in 1994 of exploring other areas for collaboration, such as in environment and public health.

### III. FY 1996-97 Program Plans and Resource Requirements

The LAC Regional program started off FY 1995 with 14 projects managed by LAC/RSD having an authorized life-of-project (LOP) funding of slightly over \$208 million (\$100 million of which was for the Caribbean and Latin American Scholarship Program II, which funds the CASS [Georgetown University] earmarked program). During FY 1995, two projects were or will be completed: Legislative Development; and Health and Nutrition Technical Support Services. Three new projects have started or are expected to begin before the end of the year: Sustainable Microfinance (initiated in December 1994), Hemispheric Free Trade, and Partnership for Education Reform in the Americas. In addition to the three new projects, two projects are being amended (Parks in Peril and Civic Education). Therefore, at the end of FY 1995, the LAC Regional program will consist of 15 active projects with a combined LOP of approximately \$211 million.

During the first year of this Action Plan period, FY 1996, four proposed projects are due to begin. New Activity Descriptions (NADs) were approved for the Health Priorities Project and the Legislative Linkages Project during last year's review of the LAC Regional program. Included in this Action Plan (at the end of this section) for review and approval are NADs for the other two proposed projects (Privatization of Agricultural and Urban Lands, and Equitable Access to Basic Health Services). Two projects are being proposed for amendment in FY 1997: the Civic Education, and Local Government and Municipal Development.

In summary, proposed new LAC Regional projects/activities and amendments are listed below:

#### FY-95 New Starts/Amendments

Sustainable Microfinance - Initial obligation in December 1994  
Hemispheric Free Trade - Due to start July/August 1995  
Partnership for Education Reform in the Americas - Due to start late FY-95  
Parks in Peril (Amendment) - To be authorized in June 1995  
Civic Education (Amendment) - To be authorized in June 1995

#### FY-96 New Starts

Health Priorities - NAD approved  
Legislative Linkages - NAD approved  
Privatization of Agricultural and Urban Lands - Revised NAD included in this Action Plan  
Equitable Access to Basic Health Services - NAD included in this Action Plan

## FY-97 Amendments

Civic Education  
Local Government and Municipal Development

See Table 5 (next page) for the Project Timeline for the LAC Regional program.

**Program Resources Required over the Life of the Objective -**  
The table below estimates the total future LAC Bureau program resources needed to achieve the LAC Regional program strategic objectives:

Strategic Objective	Resource Requirement
SO 1 - Free Trade	\$10.00 Million
SO 2 - Factor Markets	13.00
SO 3 - Human Resource Policies	3.75
SO 4 - Protection of Parks	16.00
SO 5 - Delivery of Health Services	20.00
SO 6 - Equit. Access to Hlth. Ser.	6.00
SO 7 - Human Rights	26.00
SO 8 - Free and Fair Elections	17.50
SO 9 - Public Sector Account.	27.00
SO 10 - Citizen Participation	23.00
Total	\$162.25 Million

**Program Resources Required over the Current Year (FY 1995) and the Action Plan Period** - Table 3 presents the LAC Regional budget for FY 1995, and the proposed budget for FY 1996 and FY 1997. For FY 1996, approximately \$42 million is requested (\$29.5 million DA and \$12.5 million ESF). This amount will allow the on-going portfolio to continue at a modest level and enable the start of four new activities at modest levels. For FY 1997, we are also requesting approximately \$42 million (\$29.6 million DA and \$12.5 million ESF).

TABLE 5: LAC REGIONAL PORTFOLIO – PROJECT TIMELINE

PROJECT NUMBER\TITLE	FY94				FY95				FY96				FY97				FY98				FY99				
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
598-0591 Human Rights Initiatives	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX												
598-0642 Regional Administration of Justice	XXXXXXXX				XXXXXXXX				XXXXXXXX																
598-0657 Health & Nutrition Technical Services	XXXXXXXX				XXXXXXX																				
598-0661 CLASP II	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX								
598-0770 Legislative Development	XXXXXXXX				XXXXXXX																				
598-0774 Advanced Training in Economics	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX								
598-0782 Parks in Peril	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0786 Accelerated Immunization II	XXXXXXXX				XXXXXXXX				XXXXXXX																
598-0793 Partners in Dev. & Volunteerism	XXXXXXXX				XXXXXXXX																				
598-0799 Local Government & Municipal Dev.	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0800 Accountability/Financial Mgmt. Imp.	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX								
598-0802 Latin American Journalism	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXX												
598-0813 Partners - Civic Education	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0819 InterAmerican Dialogue	XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXX												
598-0820 Sustainable Microfinance					XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0821 Privatization of Ag. & Urban Lands									XXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0822 Hemispheric Free Trade									XXXXXXXX				XXXXXXXX				XXXXXXX				XXXXXXXX				
598-0825 Health Priorities													XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0828 Legislative Linkages													XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0831 Equitable Access to Basic Health Ser.													XXXXXXXX				XXXXXXXX				XXXXXXXX				
598-0823 Partners. for Ed. Reform in the Amer.									XXXXXXXX				XXXXXXXX				XXXXXXXX				XXXXXXXX				
TOTAL PROJECTS (Number at end of FY 4th Quarter)									14				15				16				13				10

TABLE 3  
LAC REGIONAL  
SUMMARY PROGRAM FUNDING TABLE  
DOLLAR PROGRAM  
(\$000)

Funding Category	FY95 Estimated	FY96 Requested	FY97 Requested
<b>Development Assistance</b>			
<b>Strategic Objective #1</b>			
598-0822 Hemispheric Free Trade	750	0	0
<b>Subtotal</b>	<b>750</b>	<b>0</b>	<b>0</b>
<b>Strategic Objective #2</b>			
598-0820 Sustainable Micro-finance (ACCION)	700	500	744
598-0821 Privatization of Ag. & Urban Lands	0	1,000	3,000
<b>Subtotal</b>	<b>700</b>	<b>1,500</b>	<b>3,744</b>
<b>Strategic Objective #3</b>			
598-0819 InterAmerican Dialogue	50	50	0
598-0823 Partnership for Ed. Reform in the Amer.	750	1,000	1,000
598-0000 Policy Reform Advisor	135	225	225
<b>Subtotal</b>	<b>935</b>	<b>1,275</b>	<b>1,225</b>
<b>Strategic Objective #4</b>			
598-0782 Parks in Peril	4,000	4,500	4,500
598-0000 LAC/RSD/E Environmental Advisors	0	840	840
<b>Subtotal</b>	<b>4,000</b>	<b>5,340</b>	<b>5,340</b>
<b>Strategic Objective #5</b>			
598-0786 Accelerated Immunization II	1,662	0	0
598-0825 Health Priorities Project	0	4,000	4,500
598-0000 LAC/RSD/PHN Fellows, TAACs, etc.	334	400	400
<b>Subtotal</b>	<b>1,996</b>	<b>4,400</b>	<b>4,900</b>
<b>Strategic Objective #6</b>			
598-0831 Equitable Access to Basic Health Ser.	0	1,000	1,500
<b>Subtotal</b>	<b>0</b>	<b>1,000</b>	<b>1,500</b>
<b>Strategic Objective #7 &amp; #8</b>			
598-0591 Human Rights Initiatives	1,500	0	0
<b>Subtotal</b>	<b>1,500</b>	<b>0</b>	<b>0</b>

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TABLE 3  
LAC REGIONAL  
SUMMARY PROGRAM FUNDING TABLE  
DOLLAR PROGRAM  
(\$000)

Funding Category	FY95 Estimated	FY96 Requested	FY97 Requested
<b>Strategic Objective #9</b>			
598-0800 Accountability & Financial Management	1,300	0	0
<b>Subtotal</b>	<b>1,300</b>	<b>0</b>	<b>0</b>
<b>Strategic Objective #10</b>			
598-0793 Partners in Dev. & Volunteerism	600	600	600
598-0802 LA Journalism	1,041	0	0
598-0813 Partners/Conciencia Civic Ed.	1,000	0	0
<b>Subtotal</b>	<b>2,641</b>	<b>600</b>	<b>600</b>
<b>OTHER</b>			
598-0000 PD&S* (see note at end of Table)	435	250	250
598-0661 Carib. & LA Scholar. Prog. II (CLASP II)	18,200	15,100	12,000
598-0780 Environmental Support Project	300	0	0
598-0799 Local Governance and Municp. Dev.	500	0	0
598-0807 Ag. & Nat. Res. Mgmt. Tech. Ser.	150	0	0
<b>Subtotal</b>	<b>18,935</b>	<b>15,350</b>	<b>12,250</b>
<b>SUBTOTAL DA</b>	<b>32,757</b>	<b>29,465</b>	<b>29,559</b>
<b>Economic Support Fund</b>			
<b>Strategic Objective #1</b>			
598-0822 Hemispheric Free Trade	0	2,500	2,500
<b>Subtotal</b>	<b>0</b>	<b>2,500</b>	<b>2,500</b>
<b>Strategic Objective #7 &amp; #8</b>			
598-0591 Human Rights Initiatives	0	1,800	2,025
<b>Subtotal</b>	<b>0</b>	<b>1,800</b>	<b>2,025</b>
<b>Strategic Objective #9</b>			
598-0800 Accountability & Financial Management	0	1,300	1,600
598-0828 Legislative Linkages	0	500	500
598-0799 Local Government and Municipal Dev.	0	450	550
<b>Subtotal</b>	<b>0</b>	<b>2,250</b>	<b>2,650</b>

TABLE 3  
LAC REGIONAL  
SUMMARY PROGRAM FUNDING TABLE  
DOLLAR PROGRAM  
(\$000)

Funding Category	FY95 Estimated	FY96 Requested	FY97 Requested
<b>Strategic Objective #10</b>			
598-0802 LA Journalism	0	1,000	400
598-0813 Partners/Conciencia Civic Ed.	0	1,700	1,700
<b>Subtotal</b>	<b>0</b>	<b>2,700</b>	<b>2,100</b>
<b>Other ESF</b>			
598-0642 Regional AOJ RSSA	0	250	225
598-0644 Intl' Invest. Trng. Assist. (ICITAP)	3,000	3,000	3,000
<b>Subtotal</b>	<b>3,000</b>	<b>3,250</b>	<b>3,225</b>
<b>SUBTOTAL ESF</b>	<b>3,000</b>	<b>12,500</b>	<b>12,500</b>
<b>PROGRAM TOTAL</b>	<b>35,757</b>	<b>41,965</b>	<b>42,059</b>

\*For FY-95, this amount includes \$25,000 for LASA plus other LAC Regional program uses of PD&S which are pending decision.

9-2

FY-97 PROGRAM FUNDING TABLE  
DOLLAR PROGRAM  
(\$000)

Funding Category	FY96 Request	FY97 100%	FY97 75%
<b>Development Assistance</b>			
<b>Strategic Objective #1</b>			
598-0822 Hemispheric Free Trade	0	0	0
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Strategic Objective #2</b>			
598-0820 Sustainable Micro-finance (ACCION)	500	744	744
598-0821 Privatization of Ag. & Urban Lands	1,000	3,000	1,250
<b>Subtotal</b>	<b>1,500</b>	<b>3,744</b>	<b>1,994</b>
<b>Strategic Objective #3</b>			
598-0819 InterAmerican Dialogue	50	0	0
598-0823 Partnership for Ed. Reform in the Amer.	1,000	1,000	1,000
598-0000 Policy Reform Advisor	225	225	225
<b>Subtotal</b>	<b>1,275</b>	<b>1,225</b>	<b>1,225</b>
<b>Strategic Objective #4</b>			
598-0782 Parks in Peril	4,500	4,500	3,375
598-0000 LAC/RSD/E Environmental Advisors	840	840	840
<b>Subtotal</b>	<b>5,340</b>	<b>5,340</b>	<b>4,215</b>
<b>Strategic Objective #5</b>			
598-0786 Accelerated Immunization II	0	0	0
598-0825 Health Priorities Project	4,000	4,500	3,000
598-0000 LAC/RSD/PHN Fellows, TAACs, etc.	400	400	400
<b>Subtotal</b>	<b>4,400</b>	<b>4,900</b>	<b>3,400</b>
<b>Strategic Objective #6</b>			
598-0831 Equitable Access to Basic Health Ser.	1,000	1,500	1,500
<b>Subtotal</b>	<b>1,000</b>	<b>1,500</b>	<b>1,500</b>
<b>Strategic Objective #7, #8 &amp; #9</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Strategic Objective #10</b>			
598-0793 Partners in Dev. & Volunteerism	600	600	0
<b>Subtotal</b>	<b>600</b>	<b>600</b>	<b>0</b>

FY-97 PROGRAM FUNDING TABLE  
DOLLAR PROGRAM  
(\$000)

Funding Category	FY96 Request	FY97 100%	FY97 75%
<b>OTHER</b>			
598-0000	250	250	250
598-0661 Carib. & LA Scholar. Prog. II (CLASP II)	15,100	12,000	8,000
<b>Subtotal</b>	<b>15,350</b>	<b>12,250</b>	<b>8,250</b>
<b>SUBTOTAL DA</b>	<b>29,465</b>	<b>29,559</b>	<b>20,584</b>
<b>Economic Support Fund</b>			
<b>Strategic Objective #1</b>			
598-0822 Hemispheric Free Trade	2,500	2,500	1,500
<b>Subtotal</b>	<b>2,500</b>	<b>2,500</b>	<b>1,500</b>
<b>Strategic Objective #7 &amp; #8</b>			
598-0591 Human Rights Initiatives	1,800	2,025	2,025
<b>Subtotal</b>	<b>1,800</b>	<b>2,025</b>	<b>2,025</b>
<b>Strategic Objective #9</b>			
598-0800 Accountability & Financial Management	1,300	1,600	1,600
598-0828 Legislative Linkages	500	500	500
598-0799 Local Government and Municipal Dev. Project	450	550	250
<b>Subtotal</b>	<b>2,250</b>	<b>2,650</b>	<b>2,350</b>
<b>Strategic Objective #10</b>			
598-0802 LA Journalism	1,000	400	400
598-0813 Partners/Conciencia Civic Ed.	1,700	1,700	1,500
<b>Subtotal</b>	<b>2,700</b>	<b>2,100</b>	<b>1,900</b>
<b>Other ESF</b>			
598-0642 Regional AOJ RSSA	250	225	225
598-0644 Int'l Invest. Trng. Assist. (ICITAP)	3,000	3,000	3,000
<b>Subtotal</b>	<b>3,250</b>	<b>3,225</b>	<b>3,225</b>
<b>SUBTOTAL ESF</b>	<b>12,500</b>	<b>12,500</b>	<b>11,000</b>
<b>PROGRAM TOTAL</b>	<b>41,965</b>	<b>42,059</b>	<b>31,584</b>

Resources Required from the Global Bureau - Over and above LAC Bureau program funds, the following table estimates the resources required from the Global Bureau to support essential elements of the LAC regional program:

Strategic Objective	FY-96	FY-97
<u>SO 1 and SO 2</u>		
936-XXXX Ag. & Nat. Res. Mgmt. Tech. Ser.	900	900
936-XXXX Trade & Investment Dev. Proj.	500	500
<u>SO 3</u>		
936-ABEL	75	75
<u>SO 5</u>	500	500
<u>SO 6</u>	<u>4,000</u>	<u>4,000</u>
Total	5,975	5,975

**Alternative Programming Scenario** - Given the desire and responsibility of the AA/LAC and Bureau staff to vigorously implement the Administration's Latin America and Caribbean policy (as expressed in Presidential Policy Determination 28), the Agency's sustainable development strategy and its specific development assistance strategy for the LAC region, and the Summit of the Americas' Plan of Action, a reduction of 25% or more in the Bureau's FY 1997 LAC Regional program budget is exceedingly disturbing to contemplate. The LAC Regional Program Strategy and Action Plan presented in this document respond to and carry through on the strategies and program thrusts of both U.S. foreign policy, as expressed in the documents cited above, and of the foreign policies of Canada and the LAC nations expressed in concert with the U.S. at the Summit.

Therefore, in developing the FY 1997 budget at the 75% level, our goal has been to ensure - to the greatest extent possible - that the implementation momentum of the Bureau's regional program is maintained, and certainly not set back.

The following information was utilized to develop the overall FY 1996-1997 budget:

- program progress data, based on TDY reports, SARs and evaluations;
- knowledge by LAC/RSD staff of the levels at which components of the regional program were fully-funded (or more than or less than fully-funded) in FY 1995;

- projected needs and a level of obligation in FY 1996, including for Summit-related activities initiated in FY 1995 and planned to be initiated in FY 1996; and
- knowledge of what level of funding is absolutely essential to get new Summit-related activities either off the ground in FY 1997 or, for continuing activities, expanding robustly as they enter their second or third year of implementation.

In order to reach a funding level of approximately \$31.58 million for FY 1997, that is, the required regional program funding at only 75% of needs, the following difficult but necessary modifications are required and will be put into effect in the LAC Regional program:

- the CLASP II/CASS activity will be unavoidably reduced from \$15.1 million in FY 1996 (down from \$18.2 million in FY 1995), to \$8 million in FY 1997, and an emphasis on achieving a greater measure of sustainability will be introduced into the program and persuasively presented to both Georgetown University and its Congressional supporters. If funded at a 100% level in FY 1997, this activity would receive \$12 million, however, the issue of sustainability would still be addressed; and
- under the Partners of the Americas' Civic Education Project, "cutting-edge" work on strengthening NGO partnerships with LAC PVOs will be initiated, but core support to Partners, provided by USAID for over 30 years under the Partners in Development and Volunteerism Project, will no longer be provided in FY 1997 (for a "savings" of \$600,000 in that year).

The following activities will also be reduced from the FY 1997 request level as shown in Table III. While some components of each activity will be rephased to future years (as a result of the need to reduce the overall program by 25%), each of these reductions for FY 1997 can be made without jeopardizing either the integrity of the objectives of the activity or the momentum of implementation of the remaining components. PACDs may have to be adjusted in some cases.

- Privatization of Agriculture and Urban Lands, reduced by \$1.750 million in FY 1997;
- Parks in Peril, reduced by \$1.125 million;
- Health Priorities, reduced by \$1.500 million;
- Hemispheric Free Trade, reduced by \$1.000 million;

- Local Government and Municipal Development, reduced by \$.300 million; and,
- Civic Education, reduced by \$.200 million.

NEW ACTIVITY DESCRIPTION (NAD)  
FY 1996

1. Basic Data:

- (a) Activity/Project Title: Privatization of Agricultural and Urban Lands (PAUL Project).
- (b) Activity/Project Number: 598-0821
- (c) Funding Source Identified: DA
- (d) Duration (Fiscal Years): 8 years
- (e) Proposed LOA Funding: \$11 Million

2. Strategic Objective and Program Outcome Supported:

PAUL will promote broadly based economic progress in the Latin American region in two ways. First, it will attack poverty by removing legal, economic and socio-cultural barriers to participation by the poor in markets. In supporting tenure security, the Initiative will reinforce intersectoral goals of **governance and democratization** of access to governmental institutions, and will lead to enhanced **municipal development and decentralization** (community-based) for activities such as primary education, and child and maternal health programs, roads, electricity, water, sewer, and so on, via improved local taxation, and leading to enhanced competitiveness for the rural poor. Similarly, by addressing what are fundamentally resource-tenure questions, the Initiative will support **sustainable use of environmental resources**.

Second, it will address broadly based economic growth and participation by reducing transaction costs and promoting information exchange with a view toward creating the information infrastructure that is a prerequisite to large-scale domestic and foreign investment. The project will seek to eliminate the "stovepipe" mentality among governmental agencies dealing with land records and spatial data, and to streamline geographic data collection and maintenance while improving data quality and compatibility **at reduced cost**.

- (a) Activity Goal: To support broad-based growth, and promote **sustainable natural resource management** through strengthening legal, regulatory and financial institutions dealing with land tenure, property taxation, and land/resource management. In terms of results, PAUL will promote the information infrastructure prerequisite to



large-scale investment, both domestic and foreign via cadastral and land information system modernization, and will enhance government and private sector administration of land by streamlining geographic data collection and maintenance while improving data quality and compatibility at reduced cost, both in accordance with policy initiatives articulated in Presidential Executive Order 12906 (regarding Re-Inventing Government) (April 11, 1994).

- (b) Activity Purpose: To increase small entrepreneur access to land by strengthening institutions which increase their participation in land markets; improve land utilization and local resource mobilization through improved land taxation; and enhance sustainable resource management through strengthened host country policy and regulatory capacity.
- (c) Dialogue Agenda: The activity is one of technical and managerial assistance, which will require extensive dialogue with host country and other donor institutions to address property-related laws and policies. Consultations were initiated on July 13, 1994 with the World Bank and the Inter-American Development Bank. Further consultations with INEGI (Government of Mexico) and the Geomatics Institute (Government of Canada) are pending.
- (d) Donor Coordination: This activity will support technical expertise primarily for the purpose of working with the Inter-American Development Bank (IDB), the World Bank, Inter-American Institute for Cooperation on Agriculture (IICA) and other regional institutions on the legal, economic and social aspects of land-related problems. Project-financed technical expertise will collaborate with these donors in the identification, development and evaluation of these donors' projects; and they will collaborate with these donors in studies and analysis to assist LAC countries develop more appropriate land policies and regulations.

### 3. Interventions Anticipated and Management Costs:

- (a) Interventions: PAUL is closely tied to the regional trade integration process contemplated by the Free Trade Agreement for the Americas (FTAA). PAUL will address: (1) harmonization of geographic data to allow for increased market integration under FTAA; (2) increased productivity of small entrepreneurs through tenure policy to allow their participation in FTAA; (3) tenure concerns related to political stability and a positive investment climate; (4) fiscal reform as tariff trade barriers fall; (5) environmental consequences of tenure reform involved in FTAA. PAUL will stress three fundamental themes: (1) decentralization; (2) private sector provision of

traditionally public sector cadastres and registries; and (3) high quality and compatibility of georeferenced information. PAUL will seek to bring together Mexico, Canada and the U.S. (the NAFTA countries) to promote tenure policy recommendations for LAC, compatible with FTAA. It will also seek to coordinate with IDB and the World Bank in establishing appropriate host country policies and in arranging appropriate finance mechanisms.

- (b) Management Costs: LAC/RSD-BBEG will manage this regional activity. It is estimated that project management responsibilities will require one FTE.

4. **Statement of the Policy Agenda and General Strategy:**

(a) Sustainability of Proposed Activities:

Trade integration infers examination of local factor markets to determine comparative advantages of different countries in the international market. It also implies, however, that within countries, we need to make certain that the competitiveness regime in terms of national production is balanced and inclusive. Historically disadvantaged groups (the poor, women, indigenous peoples) must be included in the trade integration process. PAUL is one step toward insuring their economic participation in the regional process.

PAUL takes a decidedly market approach to development. In the past poverty alleviation through land access, especially the politically motivated land transfer programs, have had a mixed record of sustainability. This has been due to both policy issues and project design. The land market is often the most imperfect of all economic input markets. Fundamentally, the activity will address the pronounced dualistic distribution of incomes and assets that permeates the economic landscape of so many Latin American countries. This acute segmentation of markets constrains competition and skews economic returns to the influential. Meanwhile, as evidenced by recent events in Chiapas and Ecuador, miseries among the campesinos are apparently becoming less and less bearable to the disadvantaged majority in Latin America. The issue of sustainability of the betterment of land markets will be confronted during the design stage.

During the PP preparation, a country-specific desk study review will begin immediately to provide a status listing for all LAC jurisdictions in terms of land registration and titling, cadastral work, incorporation of new spatial technologies and other important data. At the same time, one additional person will be contracted to initiate activities.

(b) Potential Issues and/or Innovative Program Approaches:

Traditionally, poverty alleviation programs have been designed as near-welfare-type programs. This activity addresses poverty concerns through market mechanisms, affirming the productive capacity of disadvantaged groups (including women and indigenous groups) and giving them access to the market by attacking the market barriers that have excluded them and prevented their participation in the benefits of democratic society and the market economy.

Moreover, implementation of land market reform activities will generate substantial revenues for the host government. There is a potential for increased: (1) revenues at the local level via property taxation (which could then be used to support local initiatives such as maternal and child health programs, primary education, etc.); (2) administrative efficiency via improved geographic information; (3) sustainable natural resource management by addressing the fundamental causes of environmental damage--the economic interests of those who have (and those that do not have) ownership and access to natural resources, and the basis for that status; and (4) access to credit and investments from enhanced and formalized tenure security.

**5. Preliminary Identification of Key Stakeholders, Partners and Beneficiaries:**

PAUL will seek to coordinate with other USG entities such as NGS, BLM (Interior), USGS, USDA and other appropriate entities. It will also collaborate with the Land Tenure Center, possibly through the new BASIS Project being organized within the Global Bureau.

**6. Timetable and Resource Requirements for Developing the Assistance Proposal:**

Project design work will commence in June 1995, with authorization expected in November 1995. An estimated \$267,400 in PD&S is required to finance short-term specialized technical assistance to help in addressing technical design issues between now and September 1995.

**7. Recommendations on Delegation of Authority for Further Review and Approval:**

The AA/LAC will authorize the project.

## **New Activity Description**

Equitable Access to Basic Health Services (598-0831)

Initial Obligation: FY 1996

LOP Duration: 5 years

Proposed LOP funding: \$6.0 million  
\$3 million of Child Survival and  
\$3 million of discretionary DA

### **Strategic Objective/Purpose/Results Expected**

This project will be the primary USAID support to LAC/RSD SO # 6, "Implementation of country health-reform plans/programs that increase equitable access to basic health services". It supports the single program outcome under that SO: "development and approval of country health-reform plans/programs that increase equitable access to basic health services". The purpose will be to support development, approval, and implementation of country plans/programs for reform to increase equitable access to basic health services in target countries. This is as called for in the Summit initiative, using the Inter-American Network on Health Sector Reform ("the Network") and PAHO (for monitoring). Other donors (PAHO, World Bank, and Inter-American Development Bank) will also provide support for the Network. The reforms this project will support include definition of basic health services, public/private provider mix, sources of financing, and allocation of public subsidies, in order to promote equitable access to basic health services.

### **Relationship to Other Projects/Other Donors/Missions**

The Health Priorities Project (598-0825) will support improvements in selected basic health services: improved service delivery norms, improved targeting to populations with worse health situations, and increased national resources supporting service delivery. Many countries in the hemisphere have begun some health policy reforms, usually with some participation of the local USAID mission; there is a high level of interest in the topic, and a strong need for a coherent, regional approach to facilitate sharing lessons learned about what works and what does not. We also intend that the strengthening of NGOs for service delivery implemented by G/PHN cooperating agencies will contribute to the country reforms in the public/private sector mix of service delivery, in financing of basic services delivery, and in targeting of public subsidies to the poor.

### **Interventions/Management Costs**

The interventions to be supported will include establishment and maintenance of a small, highly specialized technical staff at Network Headquarters. That staff will, with the guidance of a Technical Advisory Board (composed of technical experts selected by the funding agencies) and a Directing Council (composed of Donor representatives and elected representatives of a few member states) and consultation with member countries: 1) establish a strategic plan and guidelines for the work of the Network, consistent with available resources, 2) develop and organize regional and sub-regional fora for host country reform leadership, 3) provide assistance directly or using consultants (from LAC as possible) to countries to promote policy dialog and to develop or evaluate country-level packages of basic services and plans or specific program elements for reform, 4) conduct or oversee necessary regional research, and 5) collect, analyze, and disseminate information on health reform. In addition, this project will be the vehicle for USAID support, probably to PAHO, for regional mechanisms to monitor the development, approval, and implementation of country plans. Over the next few months, prior to project authorization, the role of PAHO and the plans for strengthening the Network will be defined.

It is expected that this project will require approximately .25 FTE to develop and manage. One trip to LAC per year should suffice for monitoring purposes; if the headquarters of the network is in LAC that trip would need to be combined with participation in Directing Council meetings. Currently, the donors' coordinating committee favors Washington as the site for the headquarters for the Network.

### **Policy Agenda**

The policy agenda for this project is for target countries in LAC (the sustainable development countries plus Brazil and Mexico) to implement health sector reforms that will increase the equity of access to basic health services. These reforms are likely to include: definition of a basic package of health services to which access will be improved; appropriate roles for the public and private sectors, including mix of service provision; financing sources; and allocation of public subsidies to the poor. **Most USAID missions in target countries are engaged in at least part of this policy agenda at present--this project will place another powerful tool (Network plus monitoring by PAHO) at our disposal to effect these needed changes.** It is important to provide such assistance on a regional basis, because exclusive reliance on country-level assistance would be inefficient and would fail to foster the regional level of comparative analysis, networking and information-sharing anticipated by the summit in the interest of efficiency and effectiveness of reform. It is not necessary to re-invent the wheel of reform for each country; adaptation to local circumstances using the principles that work in this hemisphere

will make the job much easier. Similarly, while worldwide experience provides some guidance regarding topics and structure of reform, the approval and implementation of such reform are culture-bound, so that operating on a regional basis provides the maximum practical economy of scale. The work of the Network in each country will be coordinated with donors working there, including USAID country missions.

### **Design and Analytical Work**

In order clarify the project concept sufficiently to prepare the project paper for authorization, the organization and structure of the Network and the monitoring function at PAHO must be determined. The Team Leader, LAC/RSD-PHN is a member of the sub-committee on the Network of the Interagency Coordinating Committee which developing the Special Meeting to be held in September, 1994, at which the nations of the hemisphere will approve a framework for health reform in the hemisphere, a monitoring scheme, and the Network's structure and functions. (G/PHN/HN colleagues are on the sub-committees working on the framework and the monitoring plan.) Technical assistance and other support will be provided to the Network and LAC countries in-kind from G/PHN/HN projects for any necessary design and analytical work as it begins operations; this is being financed by FY 1995 field support funds attributed for LAC regional activities.

### **Stakeholders/Beneficiaries/Participation in PP Preparation**

Stakeholders include other parts of USAID (G/PHN and USAID missions in LAC), LAC governments and their health authorities, and regional institutions/donors. G/PHN staff are also on the InterAgency Coordinating committee working to develop the documents and the Special Meeting for the LAC countries to be held in September 1994 as a follow-up to the Summit health initiative. USAID missions have received a cable informing them of the development of this project and inviting comments; none have been received to date. LAC governments approved the health initiative as part of the Plan of Action arising from the Summit of the Americas. Ministers of Health will be involved in the Special Meeting being planned for September, immediately following the Governing Council Meetings at PAHO. The other donors and regional institutions (World Bank, IDB, ECLAC, UNICEF, OAS, and EDI) are participating in the Interagency Coordinating Committee. Beneficiaries are the people of the target countries, especially the poor whose access to basic health services is currently impaired. Participants in PP preparation will likely include Network staff, staff of the G/PHN Health Financing and Sustainability II project, G/PHN staff, and LAC Bureau staff.

### **Timetable/Resource Requirements for PP Development**

1/95-9/95 design of Network and Regional Monitoring plan by donors on Interagency Committee, with technical input from expert meeting in 6/95  
9/95-3/96 Activity design with Network, LAC Bureau staff, G Bureau staff, DDM/Harvard and HFS II staff participation  
4/96 Draft proposal from Network  
5-6/96 Negotiations between LAC Bureau and Network re: activities and budget  
7/96 Final proposal from Network  
8/96 AA/LAC sign agreement with Network

Resources to develop this Activity would largely be USDH staff time. As needed, technical analyses will be requested from G/PHN/HN projects which have FY 1995 field support funds designated for LAC Regional activities, especially the Data for Decision Makers/Harvard (DDM/Harvard) Cooperative Agreement, and the Health Financing and Sustainability II (HFS II) contract, once awarded (9/95).

### **Review/Waivers/Authorization**

Review and approval by the Assistant Administrator, LAC. No waivers anticipated. Authorization also by AA/LAC, using HB 13 authorities to enter into grant agreements with public international organizations.

### **Linkage with Program Strategy**

See the Objectives Tree for LAC/RSD SO #6 in the Strategic Plan.

**IV. FY 1996-97 Program Management Requirements - Workforce and OE**

A. Workforce: The minimum Direct Hire staff required to carry out LAC Regional portfolio management responsibilities at the requested program funding levels for FY-96 and FY-97 is as presented below. In the event of a 25% reduction in the FY 1997 program level, staff would necessarily be reduced as shown.

Technical/Clerical Staff Required	FY 95		FY 96		FY 97 100%		FY 97 75%	
	<u>T</u>	<u>C</u>	<u>T</u>	<u>C</u>	<u>T</u>	<u>C</u>	<u>T</u>	<u>C</u>
LAC/RSD Director's Office	2	1	2	1	2	1	2	1
LAC/RSD-BBEG	5	0	5	0	5	0	4	0
LAC/RSD-E	3	1	3	1	3	1	3	1
LAC/RSD-EHR	3	1	3	1	3	1	1	1
LAC/RSD-PHN	3	1	3	1	3	1	3	1
LAC/RSD-DHR	<u>5</u>	<u>1</u>	<u>5</u>	<u>1</u>	<u>5</u>	<u>1</u>	<u>5</u>	<u>1</u>
Total	21	5	21	5	21	5	18	4*

T=Technical Staff      C=Clerical Staff

\*The number of clerical staff would be reduced from 5 to 4. The position to be eliminated would be identified at that time.

The numbers indicated above include direct hire staff that are necessary to manage the LAC regional program and to carry out other critical LAC/RSD functions as well including:

- exercising forward-looking technical leadership in analysis, and strategy, policy and program formulation for the AA/LAC and Bureau;
- responding to AA/LAC initiatives, Congressional inquiries/relations and those of other U.S. and LAC special interest groups;
- providing technical input into the Agency and Bureau budget and resource allocation process;
- ensuring quality, effectiveness and compliance of LAC programs to Agency and Bureau regulations, policy and strategies;
- liaison and coordination with missions on LAC, USG and USAID strategies, policies and programs;
- liaison and coordination with other donors, USG agencies,



- PVOs, universities and other interest groups; and
- assisting the AA/LAC and LAC/EMT with recruitment and placement of technical staff throughout the Bureau including in field missions.

The direct hire staff is supplemented by RSSAs, fellows, TAACs and other short- or longer-term expertise, on an as-needed basis with reference to the changing nature of the regional program over time. This expertise is integral to LAC/RSD's ability to effectively and efficiently manage and influence the content of the LAC Regional portfolio, and perform the other functions of the LAC/RSD Office as described above.

B. Operating Expenses - LAC/RSD staff involved in the management of the LAC Regional program, with reference to a wide scope of sectoral and intersectoral issues, fundamentally require OE funds sufficient to permit frequent travel to: review/monitor LAC Regional program activities in the field, and observe, consult on and assess sub-regional and bilateral activities; attend regional or sub-regional meetings of USAID technical officers; and participate in frequent, key program-related meetings of donors and counterparts in the region, in order to facilitate coordinated or joint financing of programs. The shortage of adequate LAC OE to permit even annual site visits by direct hire staff to monitor implementation and program accountability of LAC Regional activities continues to be a problem, as OE resources continue to shrink. While all LAC/RSD offices will continue to take maximum advantage of Mission-funded travel to review regional activities and conduct other essential business in the same or adjacent countries, and while travel will continue to be carefully monitored to ensure that it is essential, nonetheless, approximately \$60,000 will be required, respectively, in FY 1996 and FY 1997 to cover minimum travel needs. If the LAC Regional program is reduced by 25%, it is estimated that \$50,000 in travel funds will be required in FY-97. (Note: there is no direct correlation between the proportion of the program reduction and the proportion of the travel budget.)

## V. Issues:

1. Georgetown University Earmark - If the Georgetown University earmark for the CLASP II/CASS Project is preserved intact at its FY 1995 funding level under the FY 1997 scenario which presupposes reducing the overall budget by 25%, funding to carry out other strategic objectives in the regional program will have to be reduced far beyond 25%, to make up the difference, and the integrity of programming will be irretrievably affected. It is critical therefore that necessary declines in the earmark, and clear planning for sustainability as the budget is phased down, be discussed by Agency senior management with Georgetown and the Congress.

2. Global Bureau Support for LAC Strategic Objectives - The amount tentatively allocated by the Bureau in the FY 1996 Congressional Presentation for support from the Global Bureau for the LAC Regional Program is seriously insufficient to achieve the program objectives. This situation may have arisen as a result of the fundamental lack of clarity with regard to the definition of, and decision-making process relative to, FY 1996 Global Bureau core and field support resources, respectively.

3. Democracy and Human Rights in the Regional Program - Is the Bureau under the LAC Regional program attempting to address too many subsectors in democracy, governance and human rights? To take an example, given USAID bilateral funding for decentralization and municipal government, is this an appropriate subsector for attention at the regional level?

4. Intersectoral Issues and Strategic Responses - Taking into account the directions laid out by PDD-28, Agency and LAC sustainable development strategies, and the Summit Declaration and Plan of Action, as well as the attention paid to intersectoral issues and responses in the Regional Program Strategic Plan and Action Plan, LAC/RSD still believes that there is a need for more attention to intersectoral concerns in the regional program.

Working with appropriate LAC/RSD staff, other LAC and USAID offices, the missions, LAC and U.S. institutions and organizations, and with other donors, the new LAC/RSD Director proposes to address this issue. However, the structure of the USAID budget (for example, "hard and soft" earmarks and directives), and declining overall resources, tend to constrain strategic and program responses despite staff interest in intersectoral issues. Should a proportion of PD&S funding be set aside by LAC to examine and propose responses to intersectoral concerns? Should the Bureau request core funds for this purpose from the Global Bureau budget?

5. Leveraging of Donor Resources - In view of Agency budget pressures, it is increasingly important for both USAID/W and field missions to leverage other donor resources in support of biodiversity and other environmental protection/management programs, as well as other sectoral and intersectoral activities under the LAC Regional program. A specific strategy for how the Bureau and LAC/RSD, in collaboration with other USAID offices (PPC, the Global Bureau), can achieve greater leveraging may need to be developed, but there are staff time implications which must be examined with respect even to this extremely important activity.

6. Shortage of OE Funding for Strategic Objective-related Travel In FY 1995, LAC/RSD estimated a need for \$60,000 for all types of travel related to development of strategies, policies and

programs in support of the regional program and the Bureau's larger sustainable development strategy. The office received less than a third of this amount. The shortage of OE funding severely constrains development, monitoring (with respect to program results and financial accountability) and evaluation in support of a program that has ranged from about \$36 million in FY 1995 to about \$42 million at the 100% level in FY 1997. Therefore, once again for FY 1996, LAC/RSD requests \$60,000 for regional program-related travel.

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